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Saudi Aramco's profit plunges 73% to $6.6 billion

NEW DELHI, MONDAY, AUGUST 10, 2020

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IN THE NEWS

Liquidity package: ₹68,000-cr loans given to discoms

AS MUCH as ₹68,000 crore worth of loans under ₹90,000-liquidity package announced for the stressed power distribution utilities have been sanctioned so far, which is expected to create buoyancy in the sector, reports **PTI**. Finance minister Nirmala Sitharaman in May announced the ₹90,000-crore liquidity infusion into cash-strapped discoms.

UP's tax receipts in July 98% of year-ago level

A GRADED pick-up in various economic activities has led to Uttar Pradesh's own tax revenues rising significantly (98%) in July against June, inching closer to last year's collections, reports **Deepa Jainani** in **Lucknow**.

Chingari attracts $1.3 m in seed round funding

INDIGENOUS SHORT video-sharing app Chingari has attracted a funding of $1.3 million in a seed round, reports **PTI**. The round was led by venture capitalists, including AngelList India, Utsav Somanis iSeed, Village Global, LogX Ventures, and Jasminder Singh Gulati of NowFloats, a statement from Chingari said.

STIMULUS 2.0

Job guarantee for urban poor on cards

Infra, construction sectors to get support; budgetary cost to be economical

PRASANTA SAHU
New Delhi, August 9

THE NEXT ROUND of stimulus, expected by September-October, will likely focus on the infrastructure and construction sectors, and may include an employment scheme for the urban poor on the lines of the Mahatma Gandhi National Rural Employment Guarantee Scheme, whose efficacy has been borne out again during the pandemic period.

While the budgetary cost of the fiscal stimulus announced so far — 1.4% of the GDP — has been more than offset by the expenditure curbs in other areas, the new tranche will also be similarly fiscally prudent — the part of it based on additional budgetary resources could be minimal, and most of the budgetary incentives to infrastructure and construction areas will be balanced by a spending rejig.

According to official sources, the new fiscal measures to reverse the sharp growth slide will spur discretionary spending that may start looking up on its own, once the pandemic curve start flattening.

Continued on Page 2

LABOUR SUPPORT FOR INDUSTRY

- Next round of stimulus measures by October, **ahead of Bihar Assembly elections**
- Move likely to focus on addressing a **looming labour shortage** in urban centres, industrial clusters
- Unlike the rural job guarantee scheme, where wages are the major cost, **the urban scheme will have a high material component**; structures to be created will be mostly durable
- The urban avatar of MGNREGA will focus on **labour-intensive works** such as construction of drainage pipelines, road construction in urban colonies, etc

Govt to offer incentives to man-made textiles

BANIKINKAR PATTANAYAK
New Delhi, August 9

THE GOVERNMENT WILL roll out a production-linked incentive (PLI) scheme for the labour-intensive textiles and garment sector and correct its historical policy bias towards a cotton-dominated value chain, as it plans a renewed bid to reclaim India's export markets after ceding a substantial ground to Bangladesh and Vietnam in recent years.

In a recent interaction with a group of Japanese officials and investors, textile secretary Ravi Capoor said the "focussed product scheme" will incentivise the production of about 40 items with high export potential and reposition India as a major producer of synthetic fibre-based apparel.

The incentive structure is being worked out.

Continued on Page 2

GST

No returns' overhaul; ITC loopholes to be plugged

SUMIT JHA
New Delhi, August 9

THE GOODS AND Services Tax (GST) Council is likely to shelve the plan announced last year to usher in a new format of tax returns and continue with the existing system, with some improvements and modifications to plug loopholes.

A GoM, headed by Bihar deputy chief minister Sushil Modi, met last week and agreed on linking GSTR-1 (outward sales return) and GSTR-3B (monthly summary return), and introducing GSTR-2B document which would provide exact input tax credit (ITC) details to the taxpayers, according to a source.

The group also decided to allow quarterly filing of GSTR-3B for taxpayers below ₹5-crore turnover threshold, which could be introduced by November.

Continued on Page 2

GoM's proposals

- Link GSTR-1 and 3B returns to **avoid mismatch**
- Create GSTR-2B document to **auto-populate** ITC liability
- Make even 3B filing quarterly for **assessee below ₹5-cr turnover**
- Put proposed returns **'sahaj'** and **'sugam'** in cold storage

CORPORATE SCOREBOARD

Recovery depends on course of pandemic, says India Inc

Telcos' regulatory provisions deepen losses in June qtr; many economic indicators looking up

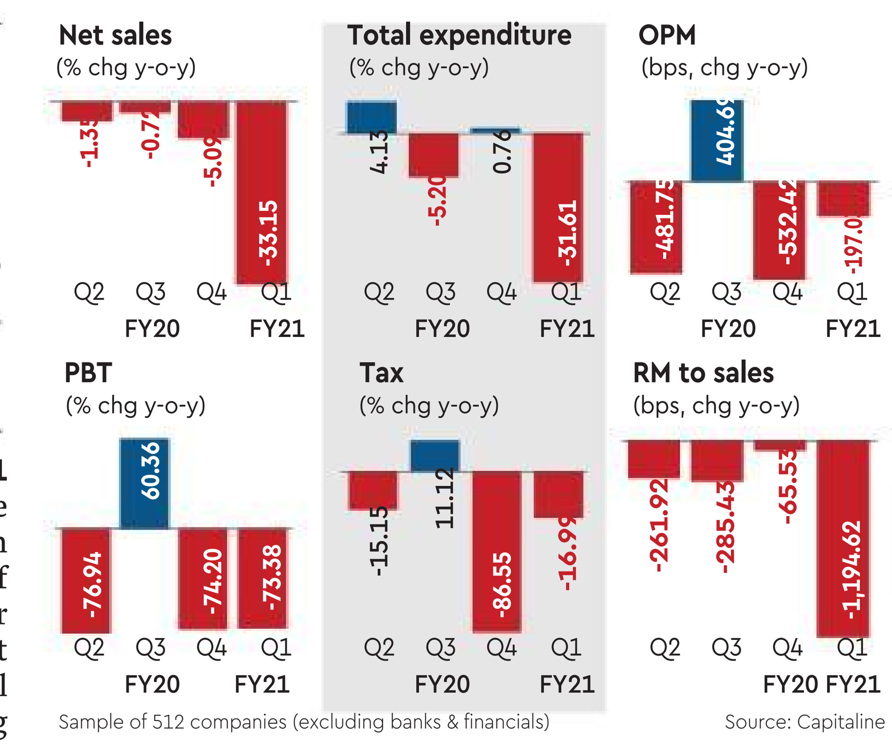
FE BUREAU
New Delhi, August 9

CORPORATE INDIA'S Q1FY21 results were marked by severe disruptions to the supply chain as also demand, with much of the country locked down for most of the time. To that extent the numbers are less helpful than the commentary in giving us a sense of what to expect in the rest of the year.

Nonetheless, the losses are staggering, exacerbated by the regulatory provisions made by the telcos, and it will take an exceptional performance in the rest of the year to reverse the trend. As of now, the Nifty companies are expected to report a 5-10% drop in profits for 2020-21 before rebounding smartly in 2021-22.

The good news is that despite local lockdowns, several economic indicators — e-way bills, electricity, registrations of cars and two-wheelers, container traffic have started looking up.

Continued on Page 2



Sample of 512 companies (excluding banks & financials)

Source: Capitaline

QuickPicks

Private gencos say 'no' to UP's demand for discounts

INDEPENDENT POWER producers (IPPs) have rejected a UP government proposal making settlement of state discoms' dues to them under the new liquidity infusion scheme contingent on IPPs offering tariff rebates for past supplies, reports **Anupam Chatterjee** in **New Delhi**. **P4**

Delay in return of migrants to further hit capacity utilisation

BESIDES COVID fear, increased availability of jobs under the rural job guarantee scheme and free ration may deter migrant labourers from returning to cities, causing a further dent on capacity utilisation across sectors, India Ratings has said, reports **fe Bureau** in **New Delhi**. **P4**

AATMANIRBHAR PUSH

101 defence items under import embargo

FE BUREAU
New Delhi, August 9

THE DEFENCE MINISTRY has firmed up a list of 101 items that will be placed under an import embargo beyond the timeline indicated against them, as the government seeks to boost domestic manufacturing of military hardware under the Aatmanirbhar Bharat initiative amid a clash with China on the borders.

The embargo on imports is planned to be progressively implemented between 2020 and 2024, defence minister Rajnath Singh tweeted.

More such equipment for import embargo would be identified progressively by the department of military affairs.

Contracts worth almost ₹4 lakh crore are estimated to be placed with the domestic industry over the next 6-7 years, Singh said in a series of tweets.

Continued on Page 2

> Contracts worth ₹4 lakh crore will be placed with the domestic industry within the next 6-7 years. Of these, items worth almost ₹1.3 lakh crore each are anticipated for the Army and the Air Force, and ₹1.4 lakh crore for the Navy.
>
> — **RAJNATH SINGH,** DEFENCE MINISTER

5G TRIALS

Telcos sans China ties to get DoT approval

KIRAN RATHEE
New Delhi, August 9

THE DEPARTMENT OF telecommunications (DoT) is shortly going to approve the applications of telecom operators for 5G trials but only with non-Chinese vendors.

This means that Bharti Airtel and Vodafone Idea, which have submitted applications for trials with Nokia, Ericsson, Huawei, and ZTE, will be given the go-ahead to conduct the trials only with Nokia and Ericsson and not Huawei and ZTE.

Similarly, Reliance Jio will be given the permission to go ahead with Ericsson, Nokia, and Samsung, but not Huawei.

Jio has submitted another application where it would independently conduct the trials and the permission for the same will also be given.

Last month's decision of the government to bar companies based in countries sharing land border with India from any government procurement and contract, will thus see its first implementation in 5G trials where Chinese companies are not being allowed.

Continued on Page 2

TESTING TIMES

People stand near a Covid-19 mobile testing facility at Jafarguda in the old city of Hyderabad. India's Covid tally crossed 22 lakh on Sunday

JOINING THE RACE

Twitter in talks with TikTok to buy its US ops

REUTERS
August 9

TWITTER INC HAS approached TikTok's Chinese owner ByteDance to express interest in acquiring the US operations of the video-sharing app, two people told Reuters, as experts raised doubts over Twitter's ability to put together financing for a potential deal.

It's far from certain that Twitter would be able to outbid Microsoft and complete such a transformative deal in the 45 days that US President Donald Trump has given ByteDance to agree to a sale, the sources said.

The news of Twitter and TikTok being in preliminary talks and Microsoft still being seen as the front-runner was reported earlier by the *Wall Street Journal*.

Twitter has a market capitalisation of close to $30 billion, almost as much as the valuation of TikTok's assets to be divested, and would need to raise additional capital to fund the deal, according to the sources. One of Twitter's shareholders, Silver Lake, is interested in helping, one source said. Twitter has also privately made a case that its bid would face less regulatory scrutiny than Microsoft's, and won't face any pressure from.

Bitter-tweet

- Experts have raised doubts about Twitter's ability to **arrange financing** for a potential deal
- Twitter has a **market capitalisation** of close to **$30 bn**, **Microsoft's** is over **$1.6 trillion**
- Microsoft is seen as the **front-runner in bidding** for TikTok's US operations
- Donald Trump has given TikTok parent **ByteDance 45 days to agree to a sale**

Economy

MONDAY, AUGUST 10, 2020

GeM-RAILWAY INTEGRATION

Piyush Goyal, Union minister

The railways has committed itself fully to integrate with GeM and move all procurement there (GeM)...Imagine we will save 1000s and 1000s of man hours of procurement time.

CREDIT AT SUBSIDISED INTEREST

PM launches ₹1-lakh-crore agri infrastructure fund

FE BUREAU
New Delhi, August 9

PRIME MINISTER NARENDRA Modi on Sunday formally launched the ₹1-lakh crore Agriculture Infrastructure Fund (AIF) under which agri-entrepreneurs, start-ups, agri-tech players and farmer groups will have access to credit at subsidised interest for building warehouses, cold storages and other facilities to reduce post-harvest losses.

Under the AIF, the Centre will bear about 3% interest subsidy and up to ₹2 crore credit guarantee to increase the viability of the projects. Already, 11 of the 12 public sector banks have signed memorandum of agreement with the agriculture ministry. The Centre targets to disburse the entire amount of ₹1 lakh crore in four years for which ₹10,000 crore has been sanctioned in the current fiscal and ₹30,000 crore each has been earmarked for next three years. Moratorium for repayment under this financing facility may vary between 6-24 months.

On the first day of the launch of the scheme, over ₹1,000 crore credit was disbursed to 2,280 farmer societies, the government said in a statement. While farmer producer organisations (FPOs) will avail the credit guarantee facility from the agriculture ministry under the FPO promotion scheme, other eligible borrowers will get it under the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) scheme for which the government will pay the required fees.

The funds will be provided for setting up of cold stores and chains, warehouses, silos, assaying, grading and packaging units, e-marketing points linked to e-trading platforms and ripening chambers, besides PPP projects for crop aggregation sponsored by central/state/local bodies. Finance minister Nirmala Sitharaman on May 15 had announced creation of the AIF as part of the ₹20 lakh crore relief package amid outbreak of Covid 19.

Noting that India is second largest producer of foodgrains in the world, the prime minister said that Indian agriculture has no problem with regard to production. However, there is a major problem on post-harvest wastages, he said, and added that farmers as well as the nation also suffer losses. "While the fund will help create build modern cold storages and cold chain as well as warehouses in villages, it will also provide employment opportunities in rural areas," Modi said.

He cited the recent amendment in the Essential Commodities Act and said that this would encourage investors and traders to come forward and invest in warehousing sector. As farmers organisations have been demanding roll back of three ordinances, the prime minister assured them that the ordinance on contract farming would help farmers receive prices fixed at the time of sowing of crops and provide relief from any possibility of fall in prices.

Several farmers organisations under the All India Kisan Sangharsh Coordination Committee have demanded the government to withdraw two new ordinances on contract farming and barrier-free inter-state trading and amendment to the EC Act. They organised a nationwide protest on Sunday on these and other demands like loan waiver and guaranteed price.

Modi also said that while the government targets to create 10,000 FPOs, it has also been simultaneously promoting start-ups in the agriculture sector and so far, about 350 such ventures in food processing, artificial intelligence, mechanisation and renewable energy have been supported. He hoped that the 'kisan rail' launched recently would prevent distress sales by farmers as it would connect with market.

PM-KISAN: ₹17,000 cr transferred to farmers

PRIME MINISTER Narendra Modi on Sunday transferred ₹17,000 crore directly into the bank accounts of 8.5 crore farmers under the PM-KISAN scheme.

He said the scheme has been successful in its objective to provide financial support to farmers without any involvement of middlemen.

The Centre provides ₹6,000 per year in three equal instalments under the Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) scheme that was launched in December 2018.

The prime minister "released the 6th installment under the PM-KISAN scheme of ₹17,000 crore to nearly 8.5 crore farmers. The cash benefit was transferred directly to their Aadhaar verified bank accounts with the press of a button", an official statement said.

The amount was transferred to farmers at a function organised through video conference to launch financial facility of ₹1 lakh crore under the Agriculture Infrastructure Fund. — PTI

From the Front Page

Stimulus 2.0: Job guarantee for urban poor on cards

Besides, investors in the infrastructure and construction sectors will be encouraged with some sops that may involve a budget cost. "The new measures may be a combination of tools to push consumption demand as well investment to boost job creation," an official said.

The idea is also to encourage a section of urban migrant labourers, who have gone back to their rural homes, to return to urban centres. Many labour-intensive sectors, with higher levels of inter-state migrant dependency like manufacturing, mining, retail trade, etc are already facing difficulties due to labour shortage. The manufacturing sector (which employs 6.5 million inter-state migrants) and MSMEs in general will take a hit if large sections of migrant workers don't return by the end of the September quarter, according to a study by India Ratings & Research.

The strategy is to keep the FY21 budget size roughly the same as the budgeted level of ₹30.4 lakh crore (BE), which itself may require the fiscal deficit to widen to roughly 7% of the GDP, against the budgeted 3.5%, given the huge revenue shortage.

Officials from the finance ministry are brainstorming with their counterparts in other key ministries on the nitty-gritty of the new package. According to the RBI data, capacity utilisation level by industry had dropped to 68.6% in Q3FY20, way below the 75-80% benchmark for new capacity addition, implying sub-optimal levels of fresh investments. Though data are not yet available, sources said capacity utilisation may have fallen to 50% or thereabouts in Q1FY21.

While the quantum of cash transfers by the government may not be enough to kick-start demand given these are limited by budget constraints, there is a debate on whether to infuse additional funds to increase public investment in the railway projects and in the scaling up of urban housing and construction. The sectors that shows high employment elasticity will get priority. The government has been using the rural job guarantee scheme (MGNREGS) to avert a rural distress, in the wake of the return of lakhs of migrant labourers to the rural areas. The government has already increased the 2020-21 budget outlay for MGNREGS to ₹1,01,500 crore from an initial outlay of ₹61,500 crore.

With more people getting work under MGNREGA, rural unemployment has fallen to 6.34% on the week ended July 12 from 7.78% in the previous week, according to the Centre for Monitoring Indian Economy. While this has addressed rural distress to some extent after mass reverse migration of people to their villages, officials think something similar has to be done for the urban poor to mitigate hardships of urban poor. Unlike the rural job guarantee scheme, where most of the budget cost are attributable to wages, material component will be high in the urban scheme as most structures to be created under it will be durable. The Centre may draw inspiration for the similar urban schemes already in vogue in two states — Tripura and Odisha. While Tripura has been implementing the scheme well since 2009, the Odisha scheme was announced in April for a period of six months after Covid-19 broke out.

Govt to offer incentives to man-made textiles

The textiles ministry is also in talks with the finance ministry to correct a crippling indirect tax structure in the man-made textiles segment, in which goods and services tax rates remain elevated at the raw material stage and the ITC (input tax credit) process takes time, acceding to a long-pending request of the textile industry.

Decisions on GST rates, of course, are taken by the GST Council that comprises both the Centre and states. While the GST on cotton and textiles made of it stands at a uniform 5% across the value chain, the rate for synthetic fibre is 18%. Man-made filament/spun yarn is taxed at 12% and fabrics 5%. This is despite the fact that man-made textiles make up for as much as 65-70% of global demand and consequently hold immense export potential. In India, however, cotton textiles account for close to 70% of the market.

Coupled with rigid labour laws and elevated logistics costs, this distortion — caused by policy interventions for decades — has stunted the country's ability to raise garment exports exponentially. The government had rolled out a ₹6,000-crore package to boost garment exports in 2016. But in the absence of structural reforms to correct the legacy issues, the package met with only very limited success.

After the GST Council's last meeting in June, finance minister Nirmala Sitharaman had said a decision on the inverted duty structure, especially in the textiles, footwear and fertiliser sectors, was deferred but the issue was still being examined by the Council. Capoor also told the investors that the government would incentivise textiles machinery output under the Aatmanirbhar initiative. India meets over 70% of its annual demand through imports -- which stand at about $2 billion — from countries, including Germany, China and Italy.

To tackle the problem of a lack of scale, the government would facilitate the setting up of mega integrated textile parks near ports.

The major policy interventions are being planned at a time when the Covid-19 pandemic has accentuated a slowdown in exports. Textile and garment exports shrank 8.6% year on year to $33.7 billion in FY20 and saw a more dramatic, Covid-induced contraction of almost 72% during in the first two months of this fiscal.

As such, the sector's share in the overall merchandise exports has been sliding consistently in recent years, having dropped from as much as 13.7% in FY16 to just 10.8% last fiscal, the lowest in around a decade. Globally, while China remains the most dominant player by a wide margin in both textiles and garments, India has been beaten by both Bangladesh and Vietnam in recent years in apparel exports.

Hailing the government's plan, Rajeev Gopal, global chief sales & marketing officer (pulp and fibre business) at Aditya Birla Group, highlighted that the historical tax disparity has weighed down the downstream value chain (in man-made textiles), especially processing. What the country needs is a fibre-neutral tax regime. While a refund in case of an inverted duty structure is permitted under the GST regime, the process takes time, effectively blocking the working capital of companies for months, he said. Aditya Birla Group is the country's largest producer of viscose fibre.

Telcos sans China ties to get DoT approval

Though the trials are being conducted by private telecom operators on whom the border restrictions do not apply, the government has taken the line that since spectrum is a public asset and will be given by it to the companies, the guidelines can be applied here.

The private telecom companies also do not have any objection to permission not being given to conduct trials with the Chinese vendors. Company executives told FE that they have submitted applications with multiple vendors and the government should process the ones it wants and drop the unfavourable ones but it should take the decision expeditiously and not keep the trials hanging for long.

The DoT's decision on barring Chinese vendors for 5G trials also clearly indicates to the telecom operators that going ahead for any spectrum auction, the telcos cannot place network procurement contracts with companies like Huawei and ZTE. As earlier

reported by *FE*, for upcoming auctions for the 4G/5G spectrum, the government, plans to put in a condition in the notice inviting applications (NIA) that companies which are successful in winning the bids cannot procure equipments from foreign companies which belong to countries which share a common border with India.

Though the plan to auction 5G spectrum is not on the cards this fiscal considering the weak financial health of the telecom firms, auction of some 4G spectrum bands can take place during the current fiscal. Though, initially the Cellular Operators Association of India (COAI) was opposed to any restrictions being put on Chinese vendors on the ground that geopolitical issues should not be mixed with business, companies slowly prepared themselves for life without the Chinese vendors. For instance, Bharti Airtel has decided not to renew its contract with Huawei for managing its 4G network in Tamil Nadu circle. The 4G networks of telcos like Bharti Airtel and Vodafone Idea have largely been built by Huawei and ZTE. These networks are built on turnkey contracts and managed by the vendors. Companies renew the contract when it comes up for renewal. What Bharti is planning is that as and when the contracts come up for renewal, the contract would not be awarded to Chinese vendors but to European players like Nokia and Ericsson.

Sources said that in building a new network, the cost of Chinese vendors is generally 15-20% lower than competition but for managing the network the same cost advantage does not apply and a switchover can easily be done.

No GST returns' overhaul; ITC loopholes to be plugged

The relaxation for filing GSTR-1 returns once in a quarter is already available to smaller taxpayers.

The linking of two returns -- GSTR-1 and GSTR-3B -- will eventually lead to auto-population of GSTR-3B from GSTR-1. This would reduce the liability and ITC mismatch currently reported, and the functionality is expected to come online by the end of this month.

Further, the GST Network (GSTN) will deploy GSTR-2B this month, a document which would be auto-populated with details of ITC available to taxpayers. The data would be extracted from GSTR-1 filed by the counter-party suppliers of a particular taxpayers. This would ensure that the assessee knows the exact amount of credit to claim in GSTR-3B return.

A tax official said GSTR-2B is also expected to help the department to effectively implement its policy of restricting credit availability to those taxpayers whose suppliers fail to upload invoices for the purchases otherwise claimed by the assessee for availing ITC.

"GST taxpayers have been using the current system of GSTR-3B and GSTR-1 returns for three years now and so it was considered appropriate to continue with the same broad system, instead of overhauling it with 'Sahaj' and 'Sugam' returns proposed earlier," the source said. Nandan Nilekani, chairman of Infosys had proposed these returns to the GST Council in July, 2018. The GSTN, for which Infosys is the designated IT service provider, released the formats for these return about a year later.

However, the source quoted above said as the development of these simplified returns progressed, it was felt by the GoM that the two return formats had become similar to GSTR-1,2,3 system in complexity. These returns were deployed at the time of GST launch in July, 2017 but had to be junked within months for being cumbersome.

It was argued by the constituents of GoM that already deployed improvements in the existing system along with changes in the pipeline was a much less disruptive path to strengthen the return system. So far, improvements like allowing Nil return filers (as much as 20% of the total GST taxpayer base of 1.2 crore) through SMS for monthly return, enhancement of GSTR-2A (which provides details of purchases made by a taxpayer and can be cross-referenced with GSTR-1) have been deployed.

Along with other proposed improvements and introduction of e-invoicing for taxpayers above ₹500-crore turnover threshold from October 1, the return-filing system is expected to be more efficient. E-invoicing has been billed as a 'game changer' by the tax department as the system would bring about auto-creation of returns in real time for all B2B businesses eventually.

Recovery depends on course of pandemic, says India Inc

Moreover, capacity utilisation at factories, too, is increasing as migrant labourers return.

Nonetheless, the management commentary has been cautious with CEOs reminding us that the growth trajectory will depend on how soon the pandemic subsides and how quickly business activity picks up.

They have also cautioned that the high frequency data for June and July don't reflect the full picture since some of it is simply the pent-up demand getting fulfilled. The numbers, they say, could taper off. CEOs have also pointed out that with thousands losing their jobs in Covid-impacted sectors such as civil aviation, hospitality, tourism, trade and retail, the cap or cut in incomes in many companies, the near-total absence of fresh investments by the private sector and also increasing automation and digitisation demand is bound to remain weak.

101 defence items put under import embargo

"Of these, items worth almost ₹1,30,000 crore each are anticipated for the Army and the Air Force, while items worth almost ₹1,40,000 crore are anticipated by the Navy over the same period," he said. Almost 260 schemes of such items were contracted by the three defence services at an approximate cost of ₹3.5 lakh crore between April 2015 and August 2020, he added.

The ministry has also bifurcated the capital procurement budget for FY21 between domestic and foreign capital procurement routes and has created a separate budget head, with an outlay of nearly ₹52,000 crore, for domestic capital procurement this fiscal. The government's budgeted capital spending for defence services (excluding civil defence) stood at ₹1,13,734 crore in FY21, against ₹1,11,117 crore a year before.

The list of products where domestic manufacturing is being pushed includes not just "simple parts but also some high technology weapon systems like artillery guns, assault rifles, corvettes, sonar systems, LCHs (light combat helicopters), transport aircrafts, radars and many other items to fulfil the needs of our defence services," the minister said. The list also includes wheeled armoured fighting vehicles. These vehicles will have an indicative import embargo date of December 2021. The Army is expected to contract almost 200 of these vehicles at an approximate cost of over ₹5,000 crore. "Our aim is to apprise the Indian defence industry about the anticipated requirements of the Armed Forces so that they are better prepared to realise the goal of indigenisation," Singh added.

DISCOM LIQUIDITY PACKAGE

Centre releases ₹68k-cr loans

PRESS TRUST OF INDIA
New Delhi, August 9

AS MUCH AS ₹68,000 crore worth of loans under ₹90,000-crore liquidity package announced for the stressed power distribution utilities have been sanctioned so far which is expected to create buoyancy in the sector.

Finance minister Nirmala Sitharaman in May announced the ₹90,000-crore liquidity infusion into cash-strapped discoms, facing demand slump due to the lockdown to contain Covid-19.

"State-run non-banking finance firms REC and Power Finance Corporation (PFC) have sanctioned loans worth about ₹68,000 crore so far under the ₹90,000-crore liquidity infusion package for discoms announced in May," a source said.

Earlier this week, REC had said in a regulatory filing, "The company has already sanctioned amounts of more than ₹30,000 crore till July 31, 2020, as part of this liquidity package to discoms."

The loans under the package will be co-funded by PFC and REC in equal proportion. The loans would be sanctioned in two equal tranches. The package was announced on May 13, 2020. The source further informed, "The first tranche of credit has also been released to Andhra Pradesh, Telangana and Uttar Pradesh."

"The ₹90,000-crore package would be fully utilised after Tamil Nadu (₹20,000 crore) and Bihar (₹3,500 crore) submit their formal proposals under the package," the source added.

Uttar Pradesh tops the chart for seeking the highest credit under the package so far at

Finance minister Nirmala Sitharaman in May announced a ₹90,000-crore liquidity package

₹20,000 crore followed by Telangana (₹12,000 crore), Karnataka (₹7,000 crore), Andhra Pradesh (₹6,000 crore), Maharashtra (₹5,000 crore). Punjab, Rajasthan and Jammu & Kashmir have sought around ₹4,000 crore each.

The package was for discoms to pay off outstanding dues up to March this year.

While announcing the package, the government had said, "At present the discoms have a total outstanding of ₹94,000 crore towards power generation firms (gencos).

However, later states demanded to expand the package to include outstanding dues towards power generation and transmission firms for the month of April and May as well.

Earlier in July, Power and New and Renewable Energy Minister R K Singh had noted in a conference with his states counterparts that there was demand for over ₹93,000 crore under the package from the states.

He had also assured them that the package would also consider outstanding dues of April and May this year. The total outstanding dues later rose to ₹1.27 lakh crore in May and ₹1.33 lakh crore in June this year as per data on PRAAPTI portal.

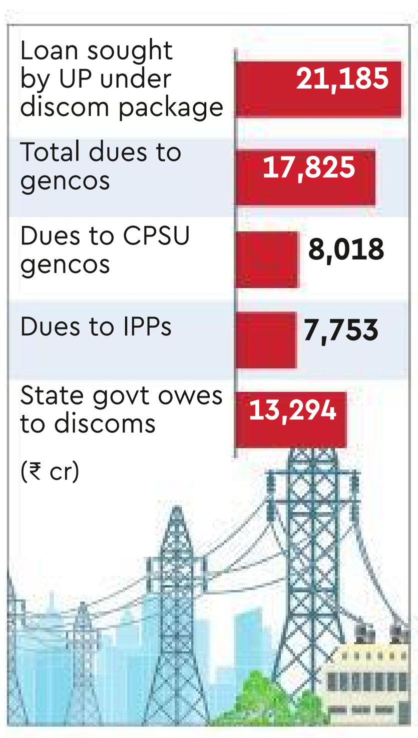
New scheme: Private gencos say 'no' to UP's demand for discounts

ANUPAM CHATTERJEE
New Delhi, August 9

INDEPENDENT POWER PRODUCERS (IPPs) such as Tata Power, Bajaj Energy, KSK and Hindustan Power have rejected a proposal by the Uttar Pradesh government making the settlement of state discoms' dues to them under the new liquidity infusion scheme, contingent on the producers offering tariff rebates for past supplies.

Uttar Pradesh has received ₹21,000 crore under the Centre's ₹90,000-crore liquidity infusion scheme to clear the outstanding dues owed to IPPs as on March 31.

According to the design of the scheme, the funds from PFC-REC are scheduled to be disbursed to the state in two equal tranches and similarly, the dues to IPPs are to be cleared in two equal instalments. While Uttar Pradesh has used the fund to clear 50% dues to CPSU generators (including NTPC), Power Grid and renewable energy plants, it has only paid 12.5% of the outstanding to IPPs so far. Private thermal power plants which have considerable amounts to be received from the state discoms include Tata Power's Bara unit (₹1,249 crore), Bajaj Lalitpur (₹3,370 crore), KSK Mahanadi (₹1,676 crore) and Hindustan Power's Anuppur (₹1,306 crore).



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In spite of the Union power ministry circular clarifying on July 30 that "the payments (to gencos) against the sanctioned loan amounts may be made to them in proportion of their dues," in a letter to the ministry dated August 3, Uttar Pradesh power department said that "we are in the process of developing an online and transparent bidding process which could enable them (IPPs) to get up to 75% of their dues in the first tranche of the loan depending on the rate of rebate they offer".

The state has argued that since CPSU power utilities have offered discounts to discoms in the light of the crisis induced by the coronavirus outbreak, IPPs ought to do the same. The Union power ministry had advised CPSU utilities to offer a one-time rebate of 20-25% on fixed charges to the state-owned discoms. Accordingly, NTPC has offered a discount of ₹1,363 crore to the discoms across the country.

"All generation companies declined to offer discount to UP," a senior official from a power company told *FE* on condition of anonymity. The state had sought discounts specifically on fixed charges, which usually comprises returns on equity, interests on long-term and working capital loans, depreciation and operations and maintenance charges. "All banks have unanimously told IPP gencos not to give discount to UP discoms," the person added.

Irregular payment by discoms was one of the main reasons behind power sector assets worth ₹1.75 lakh crore in the country being identified as stressed by lenders. Such moves also raises questions about the sanctity of power purchase agreements and if this is allowed, other states will soon follow suit, an industry expert said, commenting on Uttar Pradesh's action. "Developers expect fair play from sovereign customers," the person added.

MIGRANT EXODUS

'Labour paucity looms; manufacturing units, MSMEs may be worst hit'

FE BUREAU
New Delhi, August 9

BESIDES THE COVID-19 pandemic fear, increased availability of jobs under rural job guarantee scheme and free rations may deter return of migrant labourers to cities and industrial centres, causing a further dent on capacity utilisation for several firms across sectors, India Ratings has warned. "The credit and liquidity profiles of the companies based out of the states that heavily depend on in-migration will face challenges, if migrant workers do not return to the work place by end-Q2FY21," the rating agency said.

The labour shortage may be more pronounced for micro, small and medium enterprises (MSMEs) than large corporates. Manufacturing, which employs around 6.5 million inter-state migrant workers, and where anecdotal evidence already suggests labour shortage, could be the worst hit if the return of migrants get delayed.

Maharashtra and Delhi receive the largest number of migrants, whereas Uttar Pradesh and Bihar have been the states of origination for them.

On June 30, the Narendra Modi government extended the three-month (April-June) free-grains scheme unveiled in late March amid Covid-19 outbreak for another five months to November-end, a move that will increase the total cost of the scheme to around ₹1.4 lakh crore. Similarly, it has raised the budget outlay for Mahatma Gandhi National Rural Employment Scheme (MNREGS) by ₹40,000 crore to a record ₹1.01 lakh crore for FY21 to cater to surge in demand for works in rural areas after massive reverse migration of people to their native places.

The reverse migration has led to immense labour shortage and high labour cost. The construction sector, which typically employs a larger number of short-term migrants seasonally, is facing business disruption due to reverse migration.

Another sector that has been severely impacted by reverse migration is logistics, IndRa wrote, attributing it to the shortage of drivers for trucks and workers at warehouses.

This sector plays a crucial support function for the manufacturing sector, by providing the last mile connectivity to manufactured goods.

While the labour employed in the production of essential commodities has been less impacted, due to the countrywide lockdown, the manufacturing of non-essential commodities has suffered. "This has led to an income loss for the labourers employed as daily wagers or contractual workers, which has ultimately led to the reverse migration of labourers," the agency observed.

"The (MSME) sector might keep facing labour shortage in the near term if labourers do not return to their workplace by Q2FY21. This will lead to an increase in labour wages in the near term, which may erode MSMEs' profits. This rise in wages may correct itself once the labour starts returning," it added.

MSMEs contribute 45% to the manufacturing output and MSMEs manufacturing segment contributes 8% to the country's gross domestic product (GDP). The dependence of migrant labourers is proportionately larger in MSMEs than large enterprises.

The rating agency anticipates Bihar to suffer the most in terms of agricultural output. Agriculture contributed 22.2% to the economic activity of the state in FY19 and the number of migrant workers in the sector is around 600,000 of the total agricultural labour force.

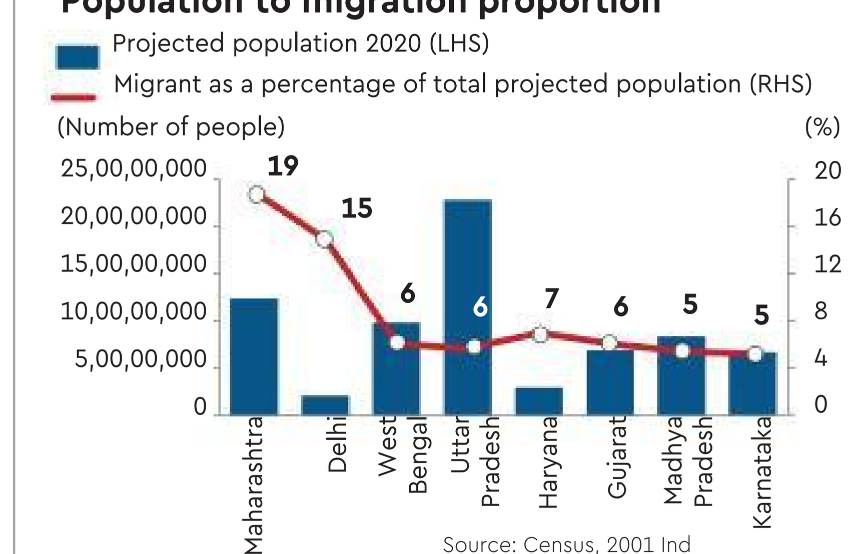
The trend in migration suggests the migrant labours largely tend to move to neighbouring states for livelihood than to far-off states.

Elevated risks for high migrant workers dependent sectors

	Main workers 2020	Migrant (inter-state) dependency ratio
Agricultural & allied activities	167,472,211	3.52
Mining & quarrying	1,614,189	28.45
Manufacturing	50,443,437	12.86
Construction	51,250,532	3.72
Wholesale, retail trade & repair work, hotel & restaurants	49,232,794	7.69

Note: Migrant Dependency Ratio (MDR) = Total migrant workers in that particular sector/Total main workers in that particular sector*!00
Source: D-8 Census 2001, International Labour Organisation, Ind-Ra

Population to migration proportion



Source: Census, 2001 Ind
Note: These 14 states recieve 90% of the total inter-state migrants

Chingari gets $1.3 m via seed round funding

PRESS TRUST OF INDIA
Bengaluru, August 9

HOMEGROWN SHORT VIDEO-SHARING app Chingari has attracted a funding of $1.3 million in a seed round.

The round was led by venture capitalists, including AngelList India, Utsav Somanis iSeed, Village Global, LogX Ventures, and Jasminder Singh Gulati of NowFloats, said a statement from Chingari.

The funding, said the company officials, would be used to hire more talent to accelerate product development, ramp up the platform and make it more engaging and consumer focused, and engage a larger consumer base by offering a seamless short video entertainment experience.

The round was led by VCs, including AngelList India, Utsav Somanis iSeed, Village Global, LogX Ventures and Jasminder Singh Gulati of NowFloats

"We are happy to have amazing investors like AngelList India, Utsav Somanis iSeed, Village Global and its amazing network of entrepreneurs and global leaders, LogX Ventures and some reputed angels," co-founder and CEO of Chingari App Sumit Ghosh said.

"Were delighted that investors saw the immense potential in our vision and chose to join the Chingari journey."

UP's tax receipts in July 98% of last year's collections

DEEPA JAINANI
Lucknow, August 9

A GRADED PICK-UP in various economic activities have led to Uttar Pradesh's own tax revenues rising significantly in July as compared to June, inching closer to last year's collections. While the hikes in state excise duties on liquor and resumption of mining activities have aided the gradual recovery, it is still far from the state's own targets for the month of July.

Speaking to reporters, state finance minister Suresh Khanna said as compared to the collection of ₹10,926 crore in July 2019-20, the collections in July 2020-21

stand at ₹10,675 crore or 97.7% of last year's collections.

The state has collected 68% of the budgeted monthly target of ₹15,633 crore in July as compared to 61% in June, 41% in May and 15% in April.

The state has collected 68% of the budgeted monthly target of ₹15,633 crore in July, compared with 61% in June, 41% in May and 15% in April

"Though some of the major revenue-earning departments are still far behind tax collection targets, there has been a vast improvement in the state's total earnings as the economy has started showing signs of a turnaround. We are confident of crossing the revenue collections of last year," the minister said, adding that UP will outpace other states in revenue collection soon

Giving details of the revenue receipts, the minister said the state government's GST and VAT collections in July this year stood at ₹6,024.16 crore as against ₹6,564.88 crore in July 2019, while the alcohol excise revenue had shown a sharp growth from ₹2,112.69 crore in July 2019 to ₹2,632.58 crore in July 2020. The mining and minor mineral department also collected higher revenue of ₹178.54 crore in July 2020 against ₹147.21 crore in the same month in 2019.

However, the collections from stamps and registration remained tepid at ₹1,365.55 crore in July 2020, against ₹1,536.49 crore in 2019, while the state transport department earned ₹474.59 crore in July 2020, against ₹565.09 crore in July 2019.

"There has been a gradual improvement in the collection of revenue in the past few months. Recovery of revenue realisation has improved every month. But we are still behind the targets. We hope to increase the collections in the coming months," he said.

Additional chief secretary Sanjiv Mittal said that the state had also received ₹850 crore of the GST compensation from the Centre.

INTERVIEW: **KSHITIJ JAIN,** MD & CEO, Exide Life Insurance

'Covid may not have very severe impact on life insurance industry'

Most life insurers are not taking a very aggressive stance to make investments in distribution channels in anticipation of growth, says **Kshitij Jain,** *MD & CEO, Exide Life Insurance. In an interview with* **Mithun Dasgupta**, *Jain says for the country's life insurance industry, Covid-19 will probably not have a very severe effect as companies tend to focus on offering cover to people in the age group of 30 to 50 years. Edited excerpt:*

Exide Life Insurance's gross written premium (GWP) witnessed growth of 12% year on year in the last financial year. What kind of GWP growth do you expect this fiscal owing to a greater uncertainty as expectations for a faster recovery from Covid-19 are shifting towards a slower recovery?

It is very difficult right now to predict how exactly the year is going to pan out because there is a change almost every week and every month. Our company and many others in the industry will find it a bit challenging to achieve growth in the first half of the year, especially when it comes to new businesses. In terms of renewals, we will certainly grow over last year, but in total premium or as you called it GWP, I suspect we will have to wait till the second half of the year — that's the period from October to March — to be able to post some reason to grow. I think if we are able to achieve 12 to 15% of what we did last year in the second half, that will be reasonable enough. It is very difficult to predict this now. The reason being that most organisations are not taking a very aggressive stance to make investments in distribution in anticipation of growth.

How many Covid-related death claims has the company received so far?

Actually, the numbers are very few. To the best of my knowledge, we have so far received only two cases, which are to do with Covid-19 and since there is so much of heightened interest in these we have settled both of them the same day we received. But I don't see Covid-related mortality being a very big issue for our industry and I'll just explain to you the reason for that. You have to keep in mind that our industry typically tends to focus on offering cover to people. Bulk of our customers tend to be in the age group of 30 to 50

years. You can say that is the sweet spot for the life insurance industry, and 30 to 50 years is not the highest risk age group. The highest risk, as you are aware of, is for people in their 70s and 80s, who, very often, do not have any life insurance cover. So, to my mind, Covid for the life insurance industry will probably not have a very severe affect. In fact, in the April - June period, the actual number of claims we received as an organisation have been lower than what we normally get, and it's too early to say. But our observation is that the number of accident-related deaths in the country has come down so dramatically that it is overcompensating for deaths on account of other reasons.

Are you focusing on onboarding a lot more young people?

It's a very good question. You know, what typically ends up happening is that the population you focus on very often ends up mirroring the salesforce that you have in the company. It is quite remarkable that younger people tend to sell more to younger people, so on and so forth. We have, over the last few years, seen that the average age in our company has now kind of plateaued. Typically, as I said, our sweet spot is in the age group of 30 to 35 years. So, the largest number of sales we are making are to customers who are of that age. I think that tends to coincide with the phase when people have just become parents.

Being an insurer, promoted by a non-banking company (Exide Industries), what kind of optimum distribution mix (agency versus bancassurance) are you looking at?

Giving a percentage figure would not really make sense. But one thing I can tell you is that our company has always prided itself on being very strong as a multichannel organisation. Insurance, at the end of the day, is a concept of spreading of risk. So, I think the important aspect for any organisation is to have a book of business coming from agency, from bank, from corporate agent broker and from direct, including online.

Currently, we are in a good spot, where we have a scope to be able to increase the percentage of business from bancassurance and from direct, which would then mean that we would have more balanced distribution going forward.

Will there be any need for capital infusion from the promoter going forward?

There has been no need for fresh capital infusion because the company, through its internal sources, is generating enough cash. We are currently at a very comfortable solvency position of over 210% and we don't expect to need any capital infusion from investors because the company has been in a situation that it is throwing up enough to be able to fund its growth.

HERO FINCORP LIMITED

Hero FinCorp.

CIN: U74899DL1991PLC046774

Regd. Office: 34, Community Centre, Basant Lok, Vasant Vihar, New Delhi-110057

Phone: 011-4948 7150, Fax: 011-4948 7197, 011-4948 7198

Email: litigation@herofincorp.com || Website: www.herofincorp.com

NOTICE UNDER SECTION 13(2) OF THE SECURITISATION AND RECONSTRUCTION OF FINANCIAL ASSETS AND ENFORCEMENT OF SECURITY INTEREST ACT, 2002

Notice is hereby served on:

1. **M/s Shakti Component Ventures Pvt. Ltd. (Borrower)** having its Office at Plot No. 21, Gali No. 1, F33, Krishna Colony, Opposite Sector-25, Faridabad, Haryana-121004 and also at House No. 223, Near Sector -8, Sector-8, Faridabad, Haryana-121006.
2. **Mr. Yogesh Purushottam Bhaiya (Guarantor)** residing at House No. 223, Near Sector -8, Sector-8, Faridabad, Haryana-121006.
3. **Mrs. Gauri Bhaiya (Guarantor)** residing at House No. 223, Near Sector -8, Sector-8, Faridabad, Haryana-121006.
4. **Mr. Purushottam Radhakisan Bhaiya (Guarantor)** residing at House No. 223, Near Sector -8, Sector-8, Faridabad, Haryana-121006.

The abovementioned Borrowers had entered into Two (02) **Master Facilities Agreements dated 29.12.2016 & 28.08.2018, Two (02) Supplementary Agreements dated 29.12.2016 & 28.08.2018** and Addendum Agreement dated 28.08.2018, with M/s. Hero FinCorp Limited (hereinafter referred to as "HFCL") having its Registered Office at 34, Community Centre, Basant Lok, Vasant Vihar, New Delhi-110057, for availing credit facilities to the tune of Rs.1,72,00,000/- (Rupees One Crore and Seventy Two Lakhs Only) and Rs.20,40,000/- (Rupees Twenty Lakhs Forty Thousand Only) from HFCL, by way of hypothecation of machines listed below in favour of HFCL:

S.No.	Machine Type/Model No	Manufacturer	Qty
1.	Hydrolic Power Pads & Valve	Kospar Hycon Enterprises	1
2.	CNC Vertical Machining Center	Ace Manufacturing Systems Limited	1
3.	CNC Vertical Machining Center	Ace Manufacturing Systems Limited	1
4.	CNC Vertical Machining Center	Ace Manufacturing Systems Limited	1
5.	Electricpower Screw Campressar E-30-75 400v	Raghav Pneumatic Corp	1
6.	Material Handling Lift	Ankit Hi-Tech Industries	1
7.	Used Die Casting Machine BUHLER MAKE	Sunkan Autocast (P) Ltd	1
8.	25 KVA Servo Voltage Stebilizer	Dynamic Power Controls	1
9.	250 KVA DG SET	Till Limited	1
10.	Cummins D.G Model 6BTAA5, 9GI	Svam Power Plants Pvt. Ltd	1
11.	180 Tons Make Pressure Die Casting Machine	Sun Sands Pvt. Ltd	1
12.	Leak Testing M/C	A.S. Engineering Corporation	1
13.	Measuring and Checking Instrument Explorer	Hexagon Metrology India Pvt. Ltd.	1
14.	Furnace B968	Heat Master	1
15.	Horizontal Pressure Die Casting Machine with Panel Board	Chavi Industries	1
16.	ACE CNC Lathe Model: Jobber Jr	ACE Designers Ltd	1
17.	ACE CNC Lathe Model: Jobber Jr	ACE Designers Ltd	1
18.	ACE CNC Lathe Model: Jobber Jr	ACE Designers Ltd	1
19.	25 KVA Servo Voltage Stebilizer	Dynamic Power Controls	1
20.	CNV Vertical Machining Centre	Ace Manufacturing Systems Limited	1
21.	CNV Vertical Machining Centre	Ace Manufacturing Systems Limited	1
22.	CNV Vertical Machining Centre	Ace Manufacturing Systems Limited	1
23.	CNV Vertical Machining Centre	Ace Manufacturing Systems Limited	1
24.	CNV Vertical Machining Centre	Ace Manufacturing Systems Limited	1
25.	Horizontal Pressure Die Casting Machine	Chavi Industries	1
26.	Oil Furnace, Blower 3 HP & Burner	Heat Master	1
27.	IMP-600 DRY Wet Porosity Sealing	Metal IMPregnation (I) Pvt. Ltd	1
28.	CNC Vertical Machining Centre	Ace Manufacturing Systems Limited	1
29.	CNC Vertical Machining Centre	Ace Manufacturing Systems Limited	1
30.	NRT Right Hand Hydraulic CNC Rotary Table Dia 250	Uday Computer Aided Mfg. Pvt. Ltd	1
31.	Milling Handling Lift Basement	Industrial Consultants & Traders	1
32.	CNC Vertical Machining Centre	Ace Manufacturing Systems Limited	1
33.	Material Handling Lift Basement	Ankit Hi-Tech Industries	1
34.	Hydrolic Power Pads & Valve Electrical & Hydraulic Press	Kospar Hycon Enterprises	1
35.	Hydrolic Power Pads & Valve Electrical & Hydraulic Press	Kospar Hycon Enterprises	1
36.	Spindle Model – KBT40 with Motor	Kospar Hycon Enterprises	1
37.	CNC Vertical Machining Centre	Ace Manufacturing Systems Limited	1
38.	200 KVA P11/0.433 KV	National Electrical Engineers	1
39.	CNC Vertical Machining Centre	Ace Manufacturing Systems Limited	1
40.	LL20T- L3 CNC LATHE	Lakshmi Machine Works Limited	1
41.	CNC Vertical Machining Centre	Ace Manufacturing Systems Limited	1
42.	CNC Vertical Machining Centre	Ace Manufacturing Systems Limited	1
43.	CNC Vertical Machining Centre	Ace Manufacturing Systems Limited	1
44.	Technocrate Make Pressure Die Casting Machine	Shakti Techno Components	1
45.	Electrical Control Panel For 400 Ton	Hi-Tech Controls	1
46.	Die CASTING Machine Buhler	Bezel Impex Pvt. Ltd.	1
47.	2 MEADS GPM for Drilling & Trapping Operations	Accurate Engineering Works	1
48.	Leake Testing Machine for PTO Cover TML	Ankit Hi-tech Industries	1
49.	Leake Testing Machine for Oil Gallaries	Ankit Hi-tech Industries	1
50.	Shot Blasting Machine 27×36	Kleenwell Fabricators	1
51.	DG SET SILENT	Jackson & Company	1
52.	Vertival Milling Machine	Industrial Consultants & Traders	1
53.	DG SET SILENT	Jackson & Company	1
54.	Turrent Milling Machine	Production Aids And Consultants P Ltd	1
55.	Turrent Milling Machine	Production Aids And Consultants P Ltd	1

The above-mentioned machines shall hereinafter referred to as "Secured Asset". The Secured Asset has been hypothecated to HFCL as security/collateral so as to secure the due repayment of loan together with the interest and other charges. However, the Borrower defaulted in due repayment of Loan alongwith interest and other charges. In this regard, Demand Notice u/s 13(2) of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (hereinafter referred to as "SARFAESI Act, 2002"), were sent to the last known addresses available of the aforesaid Borrower with HFCL but some of the Notices remained undelivered.

By way of this publication, HFCL hereby once again call upon **M/s Shakti Component Ventures Pvt. Ltd. (Borrower), Mr. Yogesh Purushottam Bhaiya (Guarantor), Mrs. Navya Sameer Kakani (Guarantor) and Mr. Purushottam Radhakisan Bhaiya (Guarantor),** to pay the entire outstanding due of Rs.77,51,508.66/- (Rupees Seventy Seven Lakhs Fifty One Thousand Five Hundred and Eight and Sixty Six Paisa only) due as on 25.06.2020 within 60 days of the publication of this Notice, failing which HFCL shall take all necessary actions under all or any of the provisions of SARFAESI Act, 2002 against the Secured Asset including taking possession and sale of the Secured Asset of the Borrower and/or Co-borrowers and any other action or relief as may be provided under SARFAESI Act, 2002.

Further, in pursuance to the provisions of Section 13(13) of SARFAESI Act, 2002, the Borrowers are hereby prohibited from selling/transferring or alienating either by way of sale/lease or deal with the aforesaid Secured Asset, in any manner, whatsoever, in contravention with the provisions of aforesaid Loan Agreements and/or SARFAESI Act, 2002.

The Public at large is also hereby informed that they should not deal, in any manner, whatsoever, with the aforementioned Secured Asset as HFCL has the First and Exclusive Charge over the same.

Sd/-

Date: 10.08.2020
Place: Faridabad

Authorized Officer
For Hero FinCorp Limited

केनरा बैंक (भारत सरकार का उपक्रम) Canara Bank (A Govt. of India Undertaking)

सिंडिकेटबैंक SyndicateBank

Branch: Cantonment Branch, 472/11 Old Railway Road, Gurgaon, Haryana-122001

POSSESSION NOTICE (U/s 13(4) for Movable Property)

Whereas, The undersigned being the Authorized Officer of the Canara Bank Cantonment Branch BIC -18210, under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (Act 54 of 2002) and in exercise of the powers conferred under section 13 (12) read with Rule 3 of the Security Interest (Enforcement) rules 2002, issued a demand notice calling upon the borrower on below mentioned date, to repay the amount mentioned in the notice , within 60 days from the date of receipt of the said notice.

The Borrower/Guarantor having failed to repay the amount, notice is hereby given to the Borrower/ Guarantor and the public in general, that the undersigned has taken possession of the property described herein below in exercise of powers conferred on him/her under Section 13 (4) of the said Act read with Rule 8 and 9 of the said rule on this day of **6th August of the year 2020.**

The Borrower/Guarantor in particular and the public in general is hereby cautioned not to deal with the property and any dealings with the property will be subject to the charge of the Canara Bank Cantonment Branch BIC -18210, for an amount mentioned herein below beside with future interest and other expenses, cost, charges etc against the under mentioned account.

The Borrower/Gaurantor(s) attention is invited to provision of section13(8) of the Act, in respect of time available, to redeem the secured assets.

Name & Add. of Borrowers / Outstanding Amount	Description of Movable Property	
Borrower **MR Enterprises** through its Prop Mrs. Mukta Yadav **Address of Office/ factory / Unit :** Plot No 71. 1. Industrial Area Phase-I, Dharuhera, Rewari	1) Fully Automatic Injection (No. 3845692) 2) Moulding Machine 150 ton 32 Cavity Mould (K843692) 3) 15 Ton Chiller, Auto Loader (3843589) **Amount due as per Demand Notice** Rs. 47,00,392.94 (Rupees fourty seven lac three hundred ninety two and paisa ninety four only) and interest thereon.	**Date of Demand Notice** 18.01.2019 **Date of Possession** 06.08.2020

Date: 10/08/2020 **Place:** Gurgaon / Rewari

Authorised Officer: Canara Bank

केनरा बैंक Canara Bank

Branch Address: CANARA BANK, 177, Haiderpur, DELHI-110088

POSSESSION NOTICE [SECTION 13(4)] FOR IMMOVABLE PROPERTY

The undersigned being the authorised officer of the Canara Bank under the Securitization and Reconstruction of Financial Assets and Enforcement of Security interest Act, 2002 (Act 54 of 2002) (hereinafter referred to as"the Act") and in exercise of powers conferred under section 13(12) read with rule 3 of the security interest (Enforcement) Rules, 2002 issued a demand notice dated **01.07.2019** calling upon the borrower(s) & Guarantor(s) (1) m/s SRI SAI CONSTRUCTION (2) Mr. Sunil Kumar Yadav S/O Mr. Ram Murti Yadav **(3) Mrs Suman Yadav W/O Ram Murti Yadav** to repay the amount mentioned in notice being of Rs. 62,34,593.73 (Rupees Sixty Two Lakh Thirty Four Thousand Five Hundred Ninety Three and Paisa Seventy three Only) within 60 days from the date of receipt of the said notice.

The borrower having failed to repy the amount, notice is hereby given to the borrower and public in general that the undersigned has taken possession of the property described herein below in exercise of power conferred on him/her under section 13/(4) th said Act read with rule 8 & 9 of the said rules on the **7th day of August of f the Year 2020**

The borrower in Particular and the public in general are hereby cautioned not to deal with the property and any dealing with the property will be Subject to charge of the CANARA BANK) for an amount of **Rs.62,34,593.73 (Rupees Sixty Two Lakh Thirty Four Thousand Five Hundred Ninety Three and Paisa Seventy three Only)** and interest there on.

The borrower's attention is invited to provisions of the section 13(8) of the Act, in respect of time available to redeem the secured assets.

DESCRIPTION OF THE IMMOVABLE PROPERTY:

ALL THAT PRRT AND PARCEL OF THE IMMOVABLE PROPERTY-UREM OF THE RESIDENTIAL HOUSE PROPERTY IN THE NAME OF Mrs Suman Yadav W/O Ram Murti Yadav BUILT UP on Plot No 1, Part of Khasra No 174, G T Road, B-73, Panchsheel Colony, Chiplyana Bujurg Ghaziabad, UP 201009

Bounded : - On the North by : Property No. 2129 On the South by : 20 ft Wide Road
On the East by : Other Property On the West by : 8' Gali

Date: 07.08.2020, Place: New Delhi

Authorised Officer, Canara Bank

MEWAT ZINC LIMITED

Corporate Identity Number : L27204DL1991PLC046120

Registered Office : 1/24, Bansi House, Asaf Ali Road, New Delhi-110002

Tel. No.: 011-23234316, **Email ID :** mewatzinc@gmail.com, **Website :** www.mewatzinc.com

Notice of 27th Annual General Meeting, Book Closure and Remote E-Voting information

NOTICE is hereby given that the 27th Annual General Meeting ('AGM') of the members of Mewat Zinc Limited will be held through Video Conferencing ("VC") / Other Audio Visual means ("OAVM") on Saturday, the 29th August, 2020 at 10.00 a.m. to transact the Ordinary Business, as set out in the Notice of AGM. The Notice of the Meeting, Annual Report for the financial year ended March 31, 2020 and remote e-voting details have been sent in electronic mode to all the members whose e-mail IDs are registered with the Company/RTA/Depository The date of completion of email of the notices to the shareholders is 8th August, 2020.

In case you have not registered your email ID with the Company/ Depository, please follow below instructions to register your email ID for obtaining annual report for FY 2019-20 and login details for e-voting.

Physical Holding : Send a signed request to Registrar and Transfer Agents of the Company, Nivis Corpserve LLP at info@nivis.co.in providing Folio number, Name of the shareholder, scanned copy of the share certificate (Front and Back), PAN (Self attested scanned copy of PAN Card), AADHAR (Self attested scanned copy of Aadhar Card) for registering email address.

Demat Holding : Please contact your Depository Participant (DP) and register your email address as per the process advised by DP.

These documents are also available on Company's website www.mewatzinc.com for download by the members. Notice is hereby given in compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 that the Company has offered e-voting facility for transacting all the business by Central Depository Services (India) Limited (CDSL) through their portal www.evotingindia.com to enable the members to cast their votes electronically. The remote e-voting period commences on Wednesday, August 26, 2020 (09:00 am) and ends on Friday, August 28, 2020 (05:00 pm). No e-voting shall be allowed beyond the said date and time. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of August 22, 2020, may cast their vote by remote e-voting. Any person, who acquires shares and becomes member of the Company after dispatch of the notice and holding shares as of the cut off date i.e. August 22, 2020, may obtain the login ID and password by sending a request at evoting.helpdesk@cdslindia.com or RTA, Nivis Corpserve LLP at info@nivis.co.in. However, if the members are already registered with CDSL for remote e-voting then they can use their existing user ID and password for casting their vote. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently. The facility for voting through e-voting shall be made available at the AGM and the members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again. CS Baldev Singh Kashtwal, Practicing Company Secretary (Membership No. FCS 3616 & CP No. 3169), has been appointed as Scrutinizer for the e-voting process. The detailed procedure for remote e-voting is contained in the letter sent with the Notice of the AGM. Any query/grievance relating to e-voting may be addressed to Ms. Varsha Joshi, Company Secretary and Compliance Officer, Mewat Zinc Limited, 1/24, Bansi House, Asaf Ali Road, New Delhi-110002. Email: mewatzinc@gmail.com. NOTICE is also hereby given pursuant to Section 91 of the Companies Act, 2013, Rule 10 of the Companies (Management & Administration) Rules, 2014 and Regulation 42 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 that the Register of the Members and Share Transfer Books of the Company will remain closed from Saturday, the August 22, 2020 to Saturday, the August 29, 2020 (both days inclusive) for the purpose of taking record of the shareholders at the Annual General Meeting.

for Mewat Zinc Limited
Sd/-
J. P. Gupta
Managing Director
DIN : 00253529

Place : New Delhi
Date : 8th August, 2020

DEUTSCHE BANK AG

Ground & 14th Floor, Hindustan Times House, 18-20, Kasturba Gandhi Marg New Delhi - 110001

PUBLIC NOTICE FOR E-AUCTION FOR SALE OF IMMOVABLE PROPERTIES

LAST DATE TIME OF SUBMISSION OF EMD AND DOCUMENTS 11st September 2020 upto 2:00 pm

Sale of immovable property mortgaged to Bank under Securitization and Reconstruction of Financial assets and Enforcement of Security Interest (SARFAESI) Act, 2002 (No.54 of 2002)

Whereas, the Authorized Officer of DEUTSCHE BANK AG had taken possession of the following property/ies pursuant to the notice issued under Sec 13(2) of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002 in the following loan accounts with our Branch with a right to sell the same on "AS IS WHERE IS BASIS AND AS IS WHAT IS BASIS" for realization of Bank's dues. The sale will be done by the undersigned through e-auction platform provided at the **website: https://www.bankeauctions.com**

DESCRIPTION OF IMMOVABLE PROPERTIES

Lot No.	Name of the Branch & Account	Property Description	Demand Notice Date / Outstanding Amount (Secured debt)	Authorized Officer's Details	EMD SUBMISSION ACCOUNT DETAILS	Reserve Price / EMD / Minimum Bid Enhance Amount	Date/ Time of E - Auction
1.	**Deutsche Bank AG,** Ground & 14th Floor, Hindustan Times House, 18-20, Kasturba Gandhi Marg New Delhi - 110001 **M/s Goel Jewelery & Mart Pvt. Ltd.**	All that the self-contained residential property being Bunglow No-4 Plot No-10 Under Hill Lane Basement Ground Floor, First Floor & Second Floor ,Under Hill Road Civil Lines Delhi-110054, admeasuring 512 sq yds., situated at Underhill Lane, Civil Lines, Delhi (Called As 'ASHOKA VILLAS')	12.05.2017 **Rs. 13,00,29,731.50** as on 04.05.2017 + interest + other charges	**Mr. Vishal Charan,** **Mobile No.** 9873911923 **Email Id:** vishal.charan@db.com	**A/c No.** 078494027010068 **A/c Name –** Deutsche Bank AG EMD , **Name of the Beneficiary –** Deutsche Bank AG IFSC- DEUT0784PBC	**11,10,00,000.00** **1,11,00,000.00** (10% of The Reserve Price) **10,000.00** (Bid Inc. Amount)	14.09.2020 12:00 pm

The e-Auction is being held on **"AS IS WHERE IS"** and **"AS IS WHAT IS BASIS"**.

1. To the best of knowledge and information of the Authorised Officer, there is no encumbrance on any property. However, the intending bidders should make their own independent inquiries regarding the encumbrances, title of property/ ies put on auction and claims/ rights/ dues/ effecting the property, prior to submitting their bid. The e-Auction advertisement does not constitute and will not be deemed to constitute any commitment or any representation of the bank. The property is being sold with all the existing and future encumbrances whether known or unknown to the bank. The Authorised Officer/ Secured Creditor shall not be responsible in any way for any third party claims/ rights/ dues.

2. It shall be the responsibility of the bidders to inspect and satisfy themselves about the asset and specification before submitting the bid. The inspection of property/ies put on auction will be permitted to interested bidders on **14.08.2020** between 11 am to 3 pm.

3. The interested bidders shall submit their EMD through Web Portal: https://www.bankeauctions.com (the user ID & Password can be obtained free of cost by registering name with https://www.bankeauctions.com) through Login ID & Password. The EMD shall be payable through NEFT in the account mentioned above.

After Registration (One Time) by the bidder in the Web Portal, the intending bidder/ purchaser is required to get the copies of the following documents uploaded in the Web Portal before the Last Date & Time of submission of the Bid Documents viz. i) Copy of the NEFT/RTGS Challan or Demand Draft; ii) Copy of PAN Card; iii) Proof of Identification/ Address Proof (KYC) viz. self-attested copy of Voter ID Card/ Driving License/ Passport etc.; without which the Bid is liable to be rejected. UPLOADING SCANNED COPY OF ANNEXURE-II & III (can be downloaded from the Web Portal: https//www.bankeauctions.com) AFTER DULY FILLED UP & SIGNING IS ALSO REQUIRED. The interested bidders who require assistance in creating Login ID & Password, uploading data, submitting Bid Documents, Training/ Demonstration on Online Inter-se Bidding etc., may contact M/s. C1 India Pvt Ltd, Udyog Vihar, Phase 2, Gulf Petrochem building, Building No. 301, Gurgaon, Haryana. Pin: 122015, E-mail ID : support@bankeauctions.com, Support Helpline Numbers : 124-4302020/21/22/23, 7291981124 / 1125 / 1126, Sales Enquiries : sales@bankeauctions.com, 7291981129 and for any property related query may contact Authorised Officer: Mr. Vishal Charan; Mobile No:9873911923 e-mail ID: vishal.charan@db.com during the working hours from Monday to Saturday.

4. The interested bidder has to submit their Bid Documents (not below the Reserve Price) and required documents (mentioned in Point No. 3) on/ before 11.09.2020 upto 2.00 pm and after going through the Registering Process (One time) and generating User ID & Password of their own, shall be eligible for participating the e-Auction Process, subject to due verification (of the documents) and/ or approval of the Authorised Officer. EMD also can be deposited in the bank by way demand draft favoring "Deutsche Bank AG EMD" the same will be returned to unsuccessful bidder.

5. During the Online Inter-se Bidding, Bidder can improve their Bid Amount as per the 'Bid Enhancement Amount' (mentioned above) or its multiple and in case bid is placed during the last 5 minutes of the closing time of the e-Auction, the closing time will automatically get extended for 5 minutes (each time till the closure of e-Auction process), otherwise, it'll automatically get closed. The bidder who submits the highest bid amount (not below the Reserve Price) on the closure of the e-Auction Process shall be declared as a Successful Bidder by the Authorised Officer/ Secured Creditor, after required verification

6. The Earnest Money Deposit (EMD) of the successful bidder shall be retained towards part sale consideration and the EMD of unsuccessful bidders shall be refunded. The Earnest Money Deposit shall not bear any interest. The successful bidder shall have to deposit 25% of the sale price, adjusting the EMD already paid, within 24 hours of the acceptance of bid price by the Authorised Officer and the balance 75% of the sale price on or before 15th day of sale or within such extended period as agreed upon in writing by and solely at the discretion of the Authorised Officer. In case of default in payment by the successful bidder, the amount already deposited by the offer shall be liable to be forfeited and property shall be put to re-auction and the defaulting borrower shall have no claim/ right in respect of property/ amount.

7. The prospective qualified bidders may avail online training on e-Auction from M/s. C1 India Pvt. Ltd. prior to the date of e-Auction. Neither the Authorised Officer/ Bank nor M/s. C1 India Pvt. Ltd. shall be liable for any Internet Network problem and the interested bidders to ensure that they are technically well equipped for participating in the e-Auction event.

8. The purchaser shall bear the applicable stamp duties/ additional stamp duty/ transfer charges, fee etc. and also all the statutory/ non-statutory dues, taxes, rates, assessment/electricity charges, fees etc. owing to anybody.

9. The Authorised Officer is not bound to accept the highest offer and the Authorised Officer has the absolute right to accept or reject any or all offer(s) or adjourn/ postpone/ cancel the e-Auction without assigning any reason thereof.

10. The bidders are advised to go through the detailed Terms & Conditions of e-Auction available on the Web Portal of M/s. C1 India Pvt. Ltd., https://www.bankeauctions.com before submitting their bids and taking part in the e-Auction

11. The publication is subject to the force major clause.

Special Instructions

12. Bidding in the last moment should be avoided in the bidders own interest as neither the DEUTSCHE BANK AG nor Service provider will be responsible for any lapse/failure(Internet failure/power failure etc.). in order to ward-off such contingent situations bidders are requested to make all necessary arrangements / alternatives such as power supply back-up etc, so that they are able to circumvent such situation and are able to participate in the auction successfully.

STATUTORY 30 DAYS SALE NOTICE UNDER THE SARFAESI ACT, 2002

The borrower/ guarantors are hereby notified to pay the sum as mentioned above along with upto date interest and ancillary expenses before the date of e-Auction, failing which the property will be auctioned/ sold and balance dues, if any, will be recovered with interest and cost.

Date: 10.08.2020
Place: New Delhi

Authorised Officer
DEUTSCHE BANK AG

J. L. MORISON (INDIA) LIMITED

CIN: L51109WB1934PLC088167
Regd.Office: 'Rasoi Court'
20, Sir R.N.Mukherjee Road, Kolkata - 700001
Tel.: (033) 22480114/5,
E-mail:investors@jlmorison.com,
Website:www.jlmorison.com/corporate

NOTICE

Pursuant to Regulations 29(1)(a) and 47(1)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, notice is hereby given that a meeting of the Board of Directors of the Company will be held on Tuesday, 18th August, 2020 *interalia* to consider and approve the Unaudited Financial Results of the Company for the quarter ended 30th June, 2020. Intimation regarding above is also available on the web-sites of the Company i.e. www.jlmorison.com/corporate and the Stock Exchange viz., www.bseindia.com

For **J. L. Morison (India) Limited**
Sd/-
Sonal Naik
Company Secratary & Compliance Officer

Place: Mumbai
Date: 08.08.2020

FORM NO. URC-2

Advertisement giving notice about registration under Part I of Chapter XXI

[Pursuant to section 374(b) of the companies Act, 2013 and rule 4(1) of the companies (Authorized to Register) Rules, 2014]

1. Notice is hereby given that in pursuance of sub-section (2) of section 366 of the Companies Act, 2013, an application is proposed to be made after fifteen days hereof but before the expiry of thirty days hereinafter to the Registrar of Company at New Delhi that **Contemporary Craft Works LLP,** may be registered under Part I of Chapter XXI of the Companies Act 2013, as a company limited by shares.
2. The principal objects of the company to be incorporated in the name of **Contemporary Craft Works Private Limited** is to do the business of design, manufacturing and retailing of garments for men and women, home decor products.
3. A copy of the draft memorandum and articles of association of the proposed company may be inspected at the office at C-136,Sarvodaya Enclave, New Delhi, Delhi-110017.
4. Notice is hereby given that any person objecting to this application may communicate their objection in writing to the Registrar at Central Registration Centre (CRC), Indian Institute of Corporate Affairs (IICA),Plot No. 6,7,8, Sector 5, IMT Manesar,Gurugram, Haryana-122050 within twenty one days from the date of publication of this notice, with a copy to the company at its registered office.

Dated this 08th day of August, 2020

Name(s) of Applicant
1. Sakshi Kumar Chopra
2. Siddharth Kumar

PUBLIC NOTICE

This is to inform all the stake holders of **Rajat Wires Private Limited** that **I, Gulshan Gaba having Registration No.** IBBI/IPA-001/IP-P00548/2017-2018/10978 have been appointed as resolution professional of **Rajat Wires Private Limited** having CIN No. U74899DL1990PTC040591 and registered office at 31/6 New Rohtak Road New Delhi-05 by Hon'ble National Company Law Tribunal, New Delhi, Court-III vide its orders dated **29/07/2020** (IB-3087(ND)/2019).

M/s Rajat Wires Private Limited is under corporate insolvency resolution process since **14/02/2020** and Mr. Kanti Mohan Rustagi was appointed as Interim Resolution Professional, who has been succeeded by me w.e.f. **29/07/2020.** Therefore, all the stakeholders are requested to communicate with me only, in respect of above stated company. My details are as follows:-

Email id: cirp2rwpl@gmail.com or **cagulshangaba@yahoo.com**
Mobile No. 98101089050

Date: 10.08.2020
Place : Delhi

Sd/-
Gulshan Gaba

"IMPORTANT"

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बैंक ऑफ़ बड़ौदा Bank of Baroda

ZOSARB, 13th Floor, Bank of Baroda Building, 16 Sansad Marg, New Delhi-110001, Ph.: 011-23441320, Mobile- 9711908984, E mail- armdel@bankofbaroda.com

SALE NOTICE FOR SALE OF IMMOVABLE PROPERTIES

"APPENDIX- IV-A [See proviso to Rule 9(1)]

E-Auction Sale Notice for Sale of Immovable Assets under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 read with provison to Rule 9(1) of the Security Interest (Enforcement) Rules, 2002.

Notice is hereby given to the public in general and in particular to the Borrower (s) and Guarantor (s) that the below described immovable property mortgaged/charged to the Secured Creditor, possession of which has been taken by the Authorised Officer of Bank of Baroda, Secured Creditor, will be sold on **"As is where is", "As is what is", and "Whatever there is"** for recovery of below mentioned account/s. The details of Borrower/s/Guarantor/s/Secured Asset/s/Dues/Reserve Price/e-Auction date & Time, EMD and Bid Increase Amount are mentioned below -

Name & address of Borrower/s / Guarantor/s	Description of the immovable property with known encumbrances, if any	Total Dues	Reserve Price (Rs.) / EMD / Bid Increase Amount	Date and time of E-auction	Status of Possession (Constructive /Physical)	Property Inspection date & Time.
Mrs. Nasira Begum W/o Mohd Kamil, Mohd Kamil S/o Mr. Gayasuddin & Mr. Mohd. Mohsin S/o Mohd Kamil (All are borrowers)	**All that part and parcel of Freehold Residential Plot No. 17, Block 205-A, known as 98, Babar Road, Connaught Place, New Delhi in the name of Mrs. Nasira Begum (also known as Nasira Begum) admeasuring 972.84 Sq. Yard.**	**Rs. 46.76 crs plus further intt. & charges w.e.f. 01-03-2019**	**₹ 49.10 Crore** **₹ 4.91 Crore** **₹ 5.00 Lacs**	**29-08-2020** from 01.00 P.M. to 03.00 P.M.	**Physical**	**12-08-2020 to 26-08-2020 from 11.00 AM to 04.00 PM** (except on Sunday, 2nd & 4th Saturday & public holiday)
Mrs. Nasira Begum W/o Mohd Kamil, Mohd Kamil S/o Mr. Gayasuddin & Mr. Mohd. Mohsin S/o Mohd Kamil (All are borrowers)	**All that part and parcel of Freehold Residential Plot No. 136-136A, Bloc 205-C, Known as 9 Babar Road, Connaught Place, New Delhi in the name of Mrs. Nasira Begum, Mohd Mohsin & Mohd Kamil Admeasuring land area of 575 Sq. Yard.**	**Rs. 28.39 crs plus further intt. & charges w.e.f. 01-03-2019**	**₹ 25.50 Crore** **₹ 2.55 Crore** **₹ 5.00 Lacs**	**29-08-2020** from 01.00 P.M. to 03.00 P.M.	**Physical**	

For detailed terms and conditions of sale, please refer to the link provided in **https://www.bankofbaroda.in/e-auction.htm and https://ibapi.in** also, prospective bidders may contact the authorized officer **Mr. P.Gangte on** Tel No. 011-23441320 Mobile 9711908984

Date : 10-08-2020, Place : New Delhi

Authorized Officer, Bank of Baroda

INTEGRAL COACH FACTORY

TENDER NOTICE No.ICF/PCMM/EOT/20/2020

Dated: 07-08-2020

The following e-tenders are published in IREPS website. Firms are requested to login to **www.ireps.gov.in** and quote against these tenders. Manual quotations will not be entertained for these tenders. **Closing and Opening Time for all tenders are 14.15 Hrs.** Hindi version of Tender Notice is available on website **"www.icf.indianrailways.gov.in"**

Sl. No.	Tender No.	Tender Title	Quantity	Due Date / Time
1	06201624	One Coach set of Sealing Adhesives	120 set	10-08-2020
2	08202040	Supply and Installation of under frame cable tray	383 set	26-08-2020
3	07202267	One Coach set of Seats and Berth for LSLRD	197 set	27-08-2020
4	08202036	Switch Board Cabinet for LHB EOG / HOG LSLRD Coaches	984 set	27-08-2020
5	07202073	Exhaust Air arrangement	4086 set	27-08-2020
6	FD-OT- 004-2019-20A	Hiring of battery operated Articulated FLT	156 Vehicles/day	27-08-2020
7	07201878	S&I of FRP Drop Down Modular Toilet	28 set	28-08-2020
8	07202036	Assembly Decoupling Rubber	208988 No.	28-08-2020
9	02201402	Longitudinal beam for end part for MEMU/TC6 Coaches	122 set	28-08-2020
10	02201391	Supply and Installation of Body Shell Items	42 set	01-09-2020
11	03201682	Head Bracket Left	3004 No.	02-09-2020
12	03201683	Head Bracket Right	3212 No.	02-09-2020
13	07202234	Alarm and Penalty (Braille) Notices	3654 No.	04-09-2020
14	07202008	One set of cover plate complete for LSCN/EOG Coaches	1611 pair	04-09-2020
15	03201710	Spring - F04 (Primary Inner)	4588 No.	09-09-2020
16	01201042	Hex Head Bolt M16 X 70	46769 No.	10-09-2020

GREEN ICF ! CLEAN ICF !

Opinion

MONDAY, AUGUST 10, 2020

DEVELOPMENT VS POLLUTION
Arvind Kejriwal, Delhi chief minister

The lockdown period revealed clear skies and now that we are moving back towards normalcy, we don't want that kind of development that contributes to pollution

RationalExpectations

SUNIL JAIN
sunil.jain@expressindia.com
@thesuniljain

Dealing with data monopolies tricky

How much data should a Google make public? And when do the scales tip for the business to be not worth its while?

SEVERAL INTERESTING QUESTIONS have got thrown up over the past few weeks when it comes to big tech firms. There are, in the US, the hearings on whether Big Tech—a Facebook, Apple, Amazon, or Google (FAANG, without Netflix)—needs to be broken up. And in India, the issue of curbing data monopolies is a live one with, as it happens, the government inviting suggestions—August 13 is the last date for submissions—on the report on sharing of non-personal data.

While Google and Facebook aren't ripping off customers—how can they since they provide their services free?—the issue here is whether they are using their power, including over data, to stifle competition. Do the insights Google gains by offering services worth billions for free give it an edge over the competition in, say, the advertisement market? And if they do, how undesirable is that? More important, is it worth breaking Google up to fix this? Think of, for starters, the Android ecosystem it has created and how that has dramatically lowered the costs of mobile phones.

When a final decision is taken on whether or not Big Tech firms need to be broken up, or their powers circumscribed in some other way, it will have interesting lessons for the Competition Commission of India (CCI) and other regulators. CCI cleared the Facebook investment in Jio Platforms in very little time in June, and was quick to dismiss the allegations of predatory pricing by RJio some years ago. This is not to pass judgment on CCI's rulings, but just to say that thinking on competition issues is evolving the world over, and issues that were dismissed as not important earlier are being relooked with a different lens today.

The issue of data monopolies and the powers of Big Tech, of course, are intimately connected. Sure, the issue of Facebook buying Instagram or WhatsApp is about using its money to buy out the competition, but data monopolies can, the argument goes, have a larger impact on stifling competition. In fact, one of the charges against Amazon *(on.wsj.com/30AbVuT)* is that it used data from its suppliers to build products that competed with them! Given how much it sells on its platforms across the world, knowledge about what sells and at what price-points is a big advantage to have. But, think about it a bit more, and how much of this can Amazon possibly do? After all, if it does too much of it, no one will want to sell on its platform.

If an Amazon is to give all its data to the competition, will it take away from its USP? That is the question we need to grapple with as we think of eliminating data monopolies or even breaking up big tech firms

The issue of data monopolies is what India is hoping to address through its sharing of non-personal or anonymised data. To use the Amazon example, once the principle of sharing is accepted, Amazon will have to part with its data—on payment of a sum that a Non-Personal Data Authority (NDPA) will determine—to anyone that asks. Ditto for Google and Facebook, WhatsApp, etc. As for data available with public authorities like the GST Network or civic authorities—how many cars travel to Mumbai's BKC during rush hours?—this will also be shared, possibly for free.

Conceptually, this is easy to do, but it throws up several questions that are less easy to deal with. If Retailer A applies to the NDPA asking for the top-selling items on Amazon's website, duly anonymised of course, will this be given? It is data that is proprietary in nature, but it is non-personal data (since it is anonymised), and sharing it will help boost the competition and, in a sense, the data belongs to individuals, not Amazon; put together, all these criteria suggest such data must be shared. Yet, the fact remains that if it is shared, it takes away a lot of Amazon's USP, its ability to produce/procure and deliver, in time, what the customer wants, at desired price-points, and in different parts of the country.

What is the top-selling garment in the country, in what fabric, what design? Where can you procure the best-quality silk trousers? Marketers would normally spend a small fortune in trying to figure these questions out, but now this can simply be asked for via the NDPA?

It is obvious, as Infosys co-founder Kris Gopalakrishnan—he headed the panel on sharing of data—has said in an interview *(bit.ly/2PzNHL7)* that simply giving out raw data won't help, it is what you do with the data that matters, and the business model that you build on top of this data. That is, if Retailer A takes Amazon's data dump, it won't help; Retailer A will have to work on the correct algorithms to be able to tweak out the valuable consumer insights that Amazon got by investing billions of dollars in setting up its sourcing and distribution network. But surely a top competitor will have the ability to develop the algorithms to extract the relevant data; and surely there will be lots of boutique firms who will do the data analysis for a fee? Gopalakrishan, after all, says Nasscom-McKinsey has estimated the data business could be as big as $500 billion over the next five years.

It is important, as Gopalakrishnan says, to share data equitably and to ensure that data monopolies don't stifle the competition. But a lot of this data is collected through huge investments. Is that something that should be shared just like that? Why not force Coca-Cola to make its secret recipe public? After all, that too helps cement its market dominance. These are issues that the government, and even the Gopalakrishan panel, will need to take another look at.

To begin with, start making government data available; this could be the number of diabetics or the sales of analgesics in a particular PIN code, or traffic patterns, etc. As for data collected by private firms, a much larger debate is called for as well as a study of its pros and cons to be able to understand whether it is a public good. An individual selling the details of what she bought, read, travelled, ate, etc is one thing; a company being forced to part with customer data it has acquired is quite another.

CriticalLOSS

Study shows link between biodiversity loss and the thriving of species that pass on zoonotic infections

AMONG THE FACTORS contributing to the risks of pandemics like Covid-19 is anthropogenic change to biodiversity, occurring largely due to habitat loss from human settlement. A study involving 6,800 ecological communities on six continents shows that human developmental work at the frontiers of human habitation is causing a decline in biodiversity—while causing a few species that have better adapted to sharing habitats with human to replace many. These species—bats, rats, monkeys—are also strong sources of zoonotic transmission of deadly pathogens. The researchers compiled over 3.2 million records from several hundred ecological studies, as reported by *Nature*, and found that populations of species that host pathogens that can be transmitted to humans—including 143 mammals—exploded as patches of forests/pristine nature turned human-populated, and eventually urban, and biodiversity, including populations of natural predators of these species, dwindled. They listed 20,382 associations between 3,883 vertebrate host species and 5,694 pathogens; not all of these can infect humans as well, though.

Previous research shows an increasing incidence of zoonotic diseases over the past few decades, possibly due to increased interaction among humans and the animal reservoirs/vectors of these pathogens. Indeed, rodents have spread over landscapes where there has been large-scale loss of biodiversity, causing a rise in the concentration of pathogens responsible for Chagas disease, hantaviral disease, etc. Unless urgent action is taken to limit biodiversity losses, brace for more Covid-19-like pandemics.

AGRI GROWTH

TERRITORIAL AND FUNCTIONAL EXPANSION OF AGRI-MARKETS IS NEEDED; SECONDARY AGRICULTURE, INVOLVING PROCESSING OF FOOD AND NON-FOOD AGRI-PRODUCE, IS KEY TO THIS

Secondary agriculture is of primary importance

ASHOK DALWAI
CEO, National Rainfed Area Authority (NRAA), & Chairman, Empowered Body, Doubling Farmers' Income

IN 1984, THE US secretary of agriculture called a special meeting of experts for advice on controlling the decline of prices of agricultural produce. The deliberations recognised growing volumes and declining exports as the cause—excess supply dampening market prices. This led to the establishment of the New Farm and Forest Products Task Force, which advised diversification of agriculture into high-value crops for creation of new avenues of demand. The Forum advocated development and use of agricultural commodities as industrial raw materials to diversify market and farm income, reduce commodity surpluses, revitalise rural economies and decrease dependency on petroleum imports.

Over the last decade, Indian farmers, too, have been facing a similar situation, with the fundamentals of market forces working to their disadvantage in case of high-volume commodities. Glut-induced post-harvest price dips have been exacerbated by the absence of suitable supply chains. Most surpluses, in the Indian context, are local to a production zone, and are gainfully evacuated to far-range markets with healthier demands.

I argue here that remunerative prices for agri-produce can be sustained only when the market is allowed to expand both territorially and functionally.

Robust supply-chains demand free and fair trade opportunities that let sellers and buyers connect, guided by supply and demand movements. The recent basket of reforms releases new energy for building both domestic and global supply-chains. These include (i) a new market architecture comprising Gramin Agriculture Markets, or GrAMs, as aggregation platforms; (ii) three market channels, viz. APMCs (Cooperative & Private pursuant to the Model APLMC Act, 2017) and the intra- and inter-state direct trade under The Farmers' Produce Trade and Commerce (Promotion & Facilitation) Ordinance, 2020; (iii) Agricultural Export Policy 2018, focussing on volumes, standards & quality and cluster approach to production; (iv) liberalisation of control orders under the Essential Commodities Act, 1955; (v) contracts in respect of farming and services through The Farmers (Empowerment & Protection) Agreement on Price Assurance and Farm Services Ordinance, 2020; and finally, (vi) promotion of 10,000 FPOs.

Increased volumes of production and post-production (eNWR) institutional credit will financially strengthen farmers (crop, livestock & fishery) and help negotiate distress sale. Under Atmanirbhar Bharat that targets an investment of ₹1.65 lakh crore in the farm sector, agri-logistics will get a boost across all sub-sectors. The interplay of competitive market forces and the highway of backward & forward linkages will help tap unmet demand in distant consumption zones. The expected positive is expanded market area and operations. A territorially-expanded market structure neutralises spatial fragmentation into several market zones (as under the APMC regime) and facilitates "one nation, one market". Emphasis on exports means supply-chains become part of the global market, and this evens out local surpluses through timely and effective conveyance to demand-responsive markets.

The road to higher farmers' income is paved by efficient post-production management, comprising logistics, processing and marketing

Technology-influenced productivity gains can, in the long run, challenge the price gains made from territorial expansion. The markets and demand for agri-produce need to be always one step ahead to secure a farmer-favouring price equilibrium. This suggests the need for more differentiated markets that identify new types of demands. Hence, the logic of diversifying into high-value commodities, supporting both food and non-food processing. Both demand-pull and supply-push strategies will be needed for such diversification.

The Indian population's dependence density on agriculture, combined with sophisticated, labour-substituting technologies, leaves little scope for non-farm sectors to absorb surplus manpower. Agriculture, therefore, must create gainful employment and adequate incomes, even as it ensures food and nutrition security. On an average, farmers are engaged for 185 days in a year, and the cropping intensity stands at 154%, indicating land sub-optimal use of land and human resources.

Globally, there is a new wave of agricultural transformation abetted by new technologies and markets for food and non-food agri-products. Some like the US and Europe have been seeing a life-science revolution, supporting migration of the manufacturing sector from dependence on fossil to renewable biomass resources, a feedstock for a sustainable industrial base. The report "Bio-based Products and Bioenergy Road Map—Framework for a vital new US Industry" adopted in the last decade envisioned a ten-fold increase in the use of biochemicals, biomaterials and bioenergy over 20 years. However, Europe is a clear leader in the segment of bio-economy. They have upgraded their 2012 Bio-economy Policy in 2015 with a goal of achieving a greener, renewable base of production and a higher share of agriculture in their total economy. India also must undertake a similar journey.

India's scope for diversified agriculture is vast, thanks to extensive arable land, multiple agro-climatic zones and a rich cafeteria of soils. Ironically, India's status as a global super-producer in agriculture is juxtaposed with low average income of its farmers. The road to higher agricultural GVA and farmers' income rests in efficient management of the post-production segment, comprising agri-logistics, processing and marketing.

Agriculture generates raw materials that meet basic human requirements, and is considered as a primary economic activity. The process of generating the agricultural produce is biological in nature, and is, therefore, a primary agriculture activity, and when the raw produce is processed, it gains additional value, and is referred to as secondary agriculture. Of course, there are certain alternative agriculture activities like beekeeping, mushroom cultivation, agri-tourism, etc, which fall under the ambit of secondary agriculture. Secondary agriculture helps in using all parts of an agricultural produce (e.g. crop residues, animal hair, bones, viscera, etc), processing to enhance shelf-life, increasing total factor productivity, and generating additional jobs and income for farmers. It, thus, encompasses both food and non-food processing, and represents agro-processing.

Processing can happen at three different levels, namely (i) primary processing (simple farm gate practices like cleaning, sizing, packaging, etc); (ii) post-harvest secondary processing (basic processing, packaging & branding); (iii) high-end processing which involves complex processing technologies, machinery and finances, with output of a rich range of products from grains like wheat, rice, corn, soybean, etc.

The canvas of secondary agriculture in India is huge, and can range from new crops, organic produce, herbal & medicinal plants to manufactured commodities like starches from cereals, proteins from legumes, oils & oleo-chemicals from oleaginous crops, resins, gums, rubbers & latexes. All these can serve as building blocks for processed foods, materials, composites, fibre & fuel systems, imparting a leg up to the competitiveness of India's agriculture sector. The outcome is functional expansion of market alongside territorial extension, creating newer demand for agri-produce.

US's TikTok ban is BigTech's problem too

Trump's move to outlaw certain Chinese apps may invite retaliation and have negative ramifications for companies such as Apple and Facebook

TAE KIM
Bloomberg

IT FINALLY HAPPENED. After a month of threatening to do so, US president Donald Trump issued executive orders that will ban the popular Chinese-owned social media apps TikTok and WeChat in the US on national security concerns. There are still some unknowns around the language and implementation of the decrees, and there's a chance they get dialed back later during trade negotiations between the US and China. Whatever happens, there will likely be lasting negative ramifications — and not just for Chinese firms, but for American technology companies as well.

Trump's orders, signed late Thursday last week, have a 45-day lag. They prohibit any person subject to US jurisdiction from dealing with TikTok's Beijing-based owner ByteDance Ltd. and Chinese internet giant Tencent Holdings Ltd. in transactions related to its WeChat app. The wording of the first order effectively puts Microsoft Corp. and ByteDance on the clock to finish their deal negotiations for TikTok's US operations by the already stipulated Sept. 15 target date. But the WeChat ban order may be a bigger threat as there doesn't seem to be an obvious way out before the deadline.

The threat to the Chinese apps is clear. But the details cited inside the orders may cause future headaches for the biggest US tech firms, too. For example, Trump noted how TikTok captures location data and user-activity information that could "potentially" be used for blackmail and corporate spying. This pertains to all US social media apps, too. Further, the president cited how TikTok videos spread "debunked conspiracy theories about the origins of the 2019 Novel Coronavirus" as one of his reasons to ban the app. Similar conspiracy videos also sprout up often on Facebook Inc. and Google's YouTube platforms. The problem is, the use of such justification opens the door for other countries around the world to use similar rationale to ban US apps within their borders. After all this time and nearly a year of investigation, where is the compelling evidence against these apps? It isn't in these orders.

Big Tech's leaders are worried about these implications. According to a *BuzzFeed News* report, Facebook CEO Mark Zuckerberg said a TikTok ban would be "a really bad long-term precedent," adding "it could very well have long-term consequences in other countries around the world." Earlier this week, Microsoft founder Bill Gates told *Bloomberg News* that businesses need to know the rule set for commerce when they make investments in the US and wondered about the timing of the TikTok ban threats. "If this is such a clear thing why wasn't it clear three months ago, six months ago?," he said.

In addition to governmental risk, there may be a consumer backlash in foreign countries. By going after ByteDance and Tencent, two of the most respected Chinese internet success stories, Trump's actions may spark a nationalistic backlash against buying American products and services in the Asian country. Obviously, Apple Inc.'s iPhone and App Store businesses in China are top of mind, along with Starbucks Corp. and Intel Corp. that have large operations in China.

The restrictions, if implemented, will also impose mental and financial hardship on vast swath of Americans who rely on the apps to communicate and make their livelihoods. Many e-commerce entrepreneurs, aspiring musicians and influencers rely on TikTok as their most effective marketing channel amid this pandemic. And WeChat is a critical messaging tool for Chinese immigrants to communicate with their families overseas. The numbers are massive: TikTok says 100 million Americans use their app, while WeChat has 19 million daily active users in the US, according to *Apptopia*. For a White House that has repeatedly complained in recent months about the censorship of conservative voices, it seems pretty hypocritical to shutter the access of millions of Americans, many of them Trump supporters with large followings.

That is not to say there aren't legitimate national security issues with TikTok and WeChat. But there is a better way to hold China accountable for concerns over its intellectual property and data-privacy practices. The US should pursue a multi-lateral partnership with its allies based on strong legal frameworks and build a clear compelling evidence-based case against China.

Unfortunately, this administration's strategy is the opposite, using haphazard, seemingly arbitrary decision-making and preying on people's fears and paranoia, and in the months leading up to an election. A policy that lashes out without a well-thought-out end game will not be as effective, leading to unintended consequences. The US needs to do better.

This column does not necessarily reflect the opinion of the editorial board or Bloomberg LP and its owners

LETTERS TO THE EDITOR

The *mandir* movement

Prime Minister Narendra Modi morphed into a high priest seamlessly during the bhoomi pujan or the groundbreaking ceremony in Ayodhya; he was in his element; he performed his role with flying colours. The Hindu nationalist in him that he proclaimed himself to be in an interview to the BBC in the run-up to the 2014 general election came to the fore on the occasion. The flip side to his laying the foundation stone to a temple in his capacity as the country's Prime Minister, as against his individual capacity as a devout Hindu or a Ram devotee is that he set a shining example of what the Prime Minister of a secular nation should not do. Exultant at the commencement of the temple construction, Prime Minister Narendra Modi went overboard and compared the Ayodhya movement to the freedom movement; in doing so he overrated the former and underrated the latter. The Ayodhya movement was a far cry from the freedom movement; the former was exclusive and comprised of Hindutva zealots; it accentuated religious fault lines and the latter was inclusive and cut across the boundaries of religion and unified the country. Proponents of Hindutva played no significant role in the struggle for Indian independence. The freedom struggle led by Mahatma Gandhi was non-violent and became a template for many freedom struggles the world over. The founding fathers—Mahatma Gandhi, Dr.B.R.Ambedkar and Jawaharlal Nehru—epresented India's true genius in all its heterogeneity. What we see today—nationalism of a virulent kind—is not the replication of what they stood for.
— G David Milton, Maruthancode

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MIHIR MOITRA

The author is former member, Expert Appraisal Committee (Mining), government of India, and an environmental management expert

Sync environment laws with mining goals

Various mining reforms introduced by the government can yield desired results only when they are complemented with ease of approvals

THE CORONAVIRUS pandemic is not only testing the resilience of our economy, but also our ability to innovate and transform within the current constraints of time and resources.

In fact, long before the coronavirus surfaced, the Indian economy was already fighting a serious downturn, and as we started to see some revival, we were hit by the pandemic.

Proactive steps taken by the government, the call for Atmanirbhar Bharat by the prime minister, fiscal packages by the Reserve Bank of India (RBI), and various legislative reforms announced by the finance minister capture our intrinsic values. These decisions are rare and hard to imitate. It shall enable us to leverage all our strengths to overcome this uncanny scenario and gain global advantage.

At the launch of commercial coal mining, the message from the prime minister was very clear—India as a nation has to be self-reliant. Every sector wherein the country currently imports has to be analysed and we need to take a 360-degree turn from being net importers to becoming net exporters.

India is blessed with abundant natural resources. Despite this, we have an import bill of $106 billion (21% of total imports) on account of the mining and metals sector.

The mining industry is core to India's growth ambition of becoming a $5-trillion economy. The multiplier effect of minerals processed into metals required for downstream industries is quite significant and should not be ignored. According to a recent CII study, every 1% increase in growth rate of the mining industry leads to an increase of 1.2-1.4% in the growth rate of industrial production.

A sustainable and viable mining sector is paramount to meeting India's domestic demand and making the country competitive in global markets. In addition to being a primary raw material provider to the Indian manufacturing industry, mining is a major source of employment generation in the country. Mining & manufacturing employ a total of 58 million (12.5% of the nation's workforce) and contribute about 19% to the nation's GDP ($532 billion).

Understanding the significance of the mining sector towards making India self-reliant, the government has taken various commendable steps. These include a host of reforms, starting with single-stage, seamless auction of exploration-cum-mining-cum- production to promote private participation, commercial coal mining to attract FDI, introduction of a National Mineral Index to rationalise the average sales price, revenue sharing and royalty structure, amendment in the stamp duty rules to allow working capital flexibility for miners and auction of mineral blocks with pre-embedded clearances to ensure rapid movement from auction to mine operations.

For these reforms to reap the desired benefits, synchronisation of the environment and forest laws with mining rules is a must. The ministry of environment, forest and climate change (MoEFCC) has, over the years, taken multiple steps for the protection of environment and development of flora & fauna while granting clearance to projects.

As always, we can further innovate with changing times, deploy best practices for protection of environment, and introduce strict provisions for violations without holding back economic growth.

Inherent delays in processing and grant of environment clearance (EC) and forest clearance (FC) are one of the major reasons for the delay in mining approvals and subsequent employment generation in the mining sector, where the success rate for deep-seated minerals such as nickel, gold, copper, lead-zinc, diamond, etc, is 1:100.

The Parivesh online portal by the MoEFCC for e-filing of applications can be made more effective to expedite the process. This can be done by introducing the concept of unified statute for all forest- and environment-related approvals wherein a single form is processed and cleared in an expedited manner through a single-window system. This is important as the success of pre-embedded clearances before the auction regime will greatly depend on how quickly we can streamline the approval process.

Current timelines mentioned for EC and FC should be strictly adhered to, with the introduction of digital platforms for deemed clearance after the specified time limits.

Forest clearance for the purpose of exploration can be directly given by the district forest officer and the district collector, as there is no change in the status of the land.

Existing timelines for forest clearances can also be substantially reduced if we have a joint inspection report by all the state officials within 15 days of filing of application, instead of multiple visits by state officials.

There is an urgent need for implementation of land banks for compensatory afforestation by the state governments. To this end, alternate options of payment in lieu of land that the state may acquire in the future should be introduced to expedite the grant of forest stage-2 clearances.

Most of the minerals are in the three major states of Jharkhand, Chhattisgarh and Odisha with identified mining zones. Standard macro environment impact assessment for respective mining zones can be developed by the state pollution control boards. This shall make the environment clearance process substantially sustainable, along with reduction in time frame of the applicants by reducing duplication of work.

During the current Covid-19 scenario where public gatherings are prohibited, public hearing can be conducted through digital platforms and videoconferencing. Comments from respective stakeholders on the environment reports can be invited via e-mail, and environment management plans can be suitably prepared by including the comments of the stakeholders with a certificate of confirmation from the district collector.

Ambiguity in the R&R process can be removed by fixing a standard compensation rate with a time-bound completion of R&R activities within 60 days of submission of application

Ambiguity in the reset-tlement/reclamation and rehabilitation (R&R) process can be removed by fixing a standard compensation rate with a time-bound completion of R&R activities within 60 days of submission of application to the concerned authorities.

The objective of each and every reform should be a gradual move to a self-certification system for all approvals with a robust governance schedule and with a sustainable environment development plan.

Various mining reforms introduced by the government can yield desired results only when they are complemented with ease of approvals. Mining as a sector is suitable for creating multiple livelihood opportunities in various remotely-located aspirational districts, generating much-needed revenue for the state governments, and also providing new streams of employment to migrant workers in their home states. In this new pandemic-ridden world where all the major economies are eagerly looking for an alternative to China, India has an opportunity to become a global powerhouse of the metal and mining sector.

A high-level quality check

RAJIV NATH

Forum coordinator of the Association of Indian Medical Device Industry (AiMeD)

Why India needs a principal quality adviser to the prime minister

TO BECOME A dependable manufacturer of high-quality medical devices and the second global factory of the same, India needs to bring in a quality culture. The prime minister should constitute a National Quality Advisory Council and a dedicated principal quality adviser to the PM to evaluate quality and safety standards of Indian products including medical devices vis-à-vis global standards, and advise and guide the nation on strategies for uplifting the standards of these, on the lines of the office of the principal scientific adviser.

During Covid-19, India faced hurdles in weeding out substandard medical products flooding the markets. Quality checking institutions report to different ministries and act in silos; they have assigned roles and do not have a holistic outlook, being limited by their domains.

The Bureau of Indian Standards (BIS) runs a voluntary standard compliance scheme of ISI mark and reports to the department of consumer affairs; the Quality Council of India (QCI) has independent boards of NABH (hospital accreditation), NABCB (accreditation of certification bodies), NABL (labs) and NABET (education), and the QCI and its boards report through the DPIIT to the commerce and industry minister. The BIS is headed by an IAS officer, a generalist, as is the case with the QCI.

In addition, if the country needs labs and testing infrastructure to test PPE coverall or masks or ventilators, who plans and decides? Not NABL as its job is only accreditation of labs, not the BIS as it has too many products and is not equipped, not the DCGI-CDSCO as they have no funds. Armed forces, the DRDO, the Indian Institute of Science or the IITs have some great infrastructure, but industry is not clear who has what and if access is possible for commercial third-party testing; also if these are accredited and have value and international acceptance.

India has to evolve imaginative policies and usher in reforms that will accelerate its economic revival. Developing our own quality products is the best way forward

For the success of Make-in-India, we need a quality mind-set of vertical product standards, horizontal standards and common product family standards, specifications, voluntary standards setting, and at times safer regulatory controls and demonstration of compliance to standards with the help of test labs. These labs are not only needed for tests, but also to benchmark evaluations and R&D studies so that manufacturers know where they stand.

We are glad the government is taking steps to end the 80-90% import dependence forced upon us and an ever-increasing import bill of over ₹41,426 crore, by expediting steps for patients' protection, stronger quality and safety regulations, price controls to make medical devices and quality treatment accessible, and affordable and ethical indigenous manufacturing.

Assigning a common quality leader backed by a think tank to advise and coordinate all these national institutions, not only for the healthcare sector, but also across the entire engineering and consumer products sectors, will give a boost to Make-in-India. It will also give a fillip to the Atmanirbhar Bharat vision of the Prime Minister by having world-class manufacturing facilities for not only medical devices, but also for maintaining global standards in quality, supplying quality products to the Indian consumers, as well as for the value-added profitable export markets.

Amidst the Covid-19 pandemic and growing Indo-China tensions, India has to address every issue linked to national security and become globally competitive. Healthcare being the most critical, as it exposes the chinks in national health security. India has to evolve imaginative policies and usher in reforms that will accelerate its economic revival. Developing our own quality goods is the best way forward. Competitiveness is not only demonstrated by price, but also by quality and the value delivered.

GESTALT THEORY

For simplifying visual perception

Gestalt is based on the law of simplicity. It indicates that our mind perceives everything in its simplest form

VIDYA HATTANGADI

The author is a management thinker and blogger

WHAT IS THE connotation of the Gestalt theory? Gestalt psychology is a school of thought that believes all objects and scenes can be observed in their simplest forms. Sometimes referred to as the Law of Simplicity, the theory proposes that the entire insight of an object or a scene is more important than its individual parts. To put it simply, Gestalt psychology attempts to explore and unpack; think of how your mind automatically perceives the face of a person you know well. This is so fascinating even though the face is, no doubt, made up of the same core features as any other—such as nose, ears, eyes, lips, chin, etc. However, what your mind does is—this is my dear friend, this is my wife, this is my son—making sense of the features as a whole.

Designers get stuck while designing a logo for enterprises and also during rebranding an existing one. Logo gives a brand its identity, and therefore it requires a lot of creativity, imagination and astuteness in designing. It is much more than picking nice colours and fonts. It takes a whole lot of imagination, forethought and a lengthy research process to design a logo. A designer needs to get into the approach, mission and philosophy of the company for which she is creating the logo for. Logos are launched in people's minds; therefore, the colours, fonts, shape of the logo need to be inimitable because it should also suit the brand's personality. People recognise brands by their logos, and thus these carry enduring value for consumers.

The word '*gestalt*' is German for 'shape' or 'form', and it also means 'creativity'. The Gestalt theory was developed in Germany as a reaction to behaviourism. It is a theory of mind and brain that proposes that the operational principle of the brain is holistic with self-organising tendencies. The Gestalt effect denotes the capability of our senses, particularly with respect to the visual recognition of figures and whole forms instead of just a collection of simple lines and curves.

Great designers understand the powerful role that psychology plays in visual perception. What happens when someone's eye meets the design creation? How does the person's mind react to the message of the logo or design? Understanding how a design is perceived and interpreted is a crucial asset that visual communicators must possess. We cannot possibly influence human perception with our designs if we don't understand the driving forces behind them.

Rob Janoff, the designer who created the world-famous Apple company logo, has explained how he came up with the idea: he bought a whole bag of apples, placed them in a bowl, and spent time drawing them for a week, trying to break the image down into something simple. Taking a bite out of an apple was part of the experiment, and completely by coincidence he realised that the 'bite' sounded exactly the same as the computer term 'byte'; a byte is a unit of memory size. Wow! What a coincidence and creativity that is ... I call it brilliance.

How is Gestalt related to visual perception and design? Soon after it was introduced in psychology, Gestalt was applied to the field of visual perception by theorists like Max Wertheimer, Wolfgang Köhler and Kurt Koffka. They are Gestalt psychologists. When we imagine the Earth, we get the image of a three-dimensional model of the globe. We cannot see all of the Earth at once, as it is so large. So, the globe helps us to see what the whole Earth looks like. The globe is better representation of the Earth as compared to a flat map.

Blank and non-meaningful space has long been a base of good design. Leaving white space around elements of a design is the first thing that usually comes to mind. But then there are designs that use that white space to deduce an element that isn't actually there; for example, the arrow hidden between the E and X in the FedEx logo immediately comes to mind.

The Coca-Cola logo has changed many times over the past century in terms of design, but you may be surprised to know that the brand's famous font of script and wave has always looked exactly as it does now. In the world-famous logo of the Coca-Cola Company, in the space between the letters O and L, one can clearly see the Danish flag. The company has nonetheless used this as part of its marketing campaigns in the Scandinavian country.

Just for the sake of the history of this brand, when it was introduced in 1885, it was marketed as a health tonic to cure a range of ills, including headaches, low sex drive and addiction. Coke started out with coca, which is the extract of cocaine as a key ingredient, along with the kola nut. Hence it was named as Coca-Cola.

Gestalt is based on the law of simplicity. It indicates that our mind perceives everything in its simplest form.

I am sure many people like me must have wondered what the logo of Wikipedia means. Each piece bears a glyph (a character or a sign) symbolising the multilingualism of Wikipedia. As with the Latin letter W, these glyphs are in most cases the first glyph or glyphs of the name 'Wikipedia' rendered in that language. The empty space at the top represents the incomplete nature of the mission of Wikipedia; there are more articles and languages yet to be added. I find this logo most interesting. There are currently 301 language editions of Wikipedia. It is owned by the Wikimedia Foundation.

eFE

MONDAY, AUGUST 10, 2020

NEED OF THE HOUR

Debjani Ghosh, president, Nasscom

India today needs greater cross-industry collaborations, supportive government policy, and investment in deep technologies, to further the growth of the SaaS industry exponentially.

WORKPLACE DISRUPTION

Tech aids the 'greatest reset' for businesses

Today, HR, equipped with modern tools of technology, is in the driving seat and steering enterprises towards the new future

SUDHIR CHOWDHARY

THE LAST FEW months have changed our lives completely. Workplaces have not seen such a definitive disruption in a long time. To say the least, they have suddenly became location agnostic. As the world opens up gingerly, we are set in front of a new and largely unknown normal with innumerable theories doing the rounds and consulting firms working on blueprints for HR leaders. However, diving back into work is going to have multiple aspects that would require a reset with technology at the helm to support HR leaders help their workforce to ease back into the new normal.

Speaking with FE, Shaakun Khanna, Head HCM Applications, Oracle JAPAC, elaborated on the four tenets of 'DIVE' – digital resiliency, intelligence ecosystem, values, and empathy —and what it entails for enterprises and HR as a business function. He further said that technology is the common thread that holds all these factors together. Today HR, equipped with modern tools of technology, is in the driving seat and steering organisations towards the new future.

Khanna explains that digital resiliency involves multiple aspects— where employees work, the tools they use, how they are managed, and how they are motivated; all of these need to be treated collectively. As digitalisation calls for far more agile, flexible, and productive digital working environments, leaders must prepare organisations to discard outdated ideas about physical workspaces. According to Gartner, by 2030, the demand for remote work will increase by 30%. Almost 64% of today's professionals say they could work anywhere, and remote work policies are common (in place at 71% of organisations). HR needs to accelerate the development of an infrastructure that can support alternative ways of working.

Leena Sahijwani, vice-president, Group HR, Tata Sons, and an Oracle Cloud HCM client, said, "HR may have to reimagine the way the workplace and work tech is designed. Technology has to go through a significant change to support what you are planning to do. With technology as the sole touchpoint making work possible under these extraordinary circumstances, such technology has to enable bringing in the much-needed resilience."

In the new normal, HR will have a new ally – Artificial intelligence (AI). Most organisations are focusing their AI efforts in HR operations (40%), talent acquisition (38%), and employee engagement monitoring (38%). Gartner survey found that 47% of HR leaders will increase their investments and 51% will maintain their investments. The ability to utilise both acumens together and understanding the art of switching between them will be the single biggest asset that humans will bring to the table.

"With technology as a trusted advisor, HR and business processes can make sure that they come out of this pandemic safe and stronger."

— SHAAKUN KHANNA, HEAD HCM APPLICATIONS, APAC, ORACLE

"HR may have to reimagine the way the workplace and work tech is designed. Technology has to go through a significant change to support what you are planning to do."

— LEENA SAHIJWANI, VICE-PRESIDENT, GROUP HR, TATA SONS

Agrees Sunil Kanchi, chief investment officer, and chief information officer, UST Global, who says that AI will be an integral part of the workplace soon. From mundane work like document processing to highly creative work like designing, AI is enhancing human productivity and effectiveness in all aspects of work.

"Technology is the single touchpoint to hold your distributed workforce together during these times and an intelligence ecosystem within HR with digital resilience can pave the way for a seamless transition within the new normal," said Sahijwani.

Other than technology, there are certain abstract aspects which were not so important earlier. Talking about them, Khanna from Oracle said that employees will be more concerned about their employers' values. Organisations have to ensure transparency in every process and every decision being taken.

Sahijwani further shares how her biggest learning has been that "people are very adaptable" and to build on this adaptability, the leadership in an enterprise requires to adapt to the much needed cultural shift to build, enable and empower a resilient workforce for the uncertainties of today and those that lie ahead.

VIRTUAL SCHOOLING

The post-Covid school Ninja

Digital tech can be an effective enabler for creating transformative impact on education

Uma Ganesh

THE GOVERNMENT HAS recently announced radical changes in the education system with the focus on enhancing the quality and components of education, which over a period of time have the potential to deliver a higher calibre talent that would enter the workforce. In this context, many have recognised digital technology as an effective enabler for creating transformative impact on education in the early stages of school education.

With Covid-19, an estimated 1.2 billion children in 186 countries around the world have had to adapt to the new mode of learning in a very short span of time—something even the most ambitious futurologists could not have been able to predict. It's a fact that currently majority of the schools and educators are facing various challenges such as limited bandwidth, lack of training or familiarity with the systems to deliver effective learning, constraints of access to devices and inadequate preparation and unavailability of appropriate content as required for different target audiences. Some even fear that these may result in poor learning experiences and therefore would the schools and parents want to continue with digital mode of technology when normalcy returns?

The answer is an emphatic 'yes' simply because once the stakeholders have got on to the digital platform complete reversal is unlikely. They find the digital medium so compelling that even with imperfect delivery capabilities, teachers are the heroes who are now connected to millions of homes.

This presents an opportunity for the parents to get to know the teachers and get the ring side view of the goings on in the classrooms. Besides being able to observe their own children's conduct in the virtual classrooms, they are able to observe other children and particularly how the teachers interact and teach in the classrooms. Teachers encourage children to use their video cameras and other meagre resources that they may have to respond or work in teams on assignments. All of these are relatively new experiences, and the transparency, personalisation and intimacy the digital medium offers would act as the catalytic forces for digital to be not wished away even in the post-Covid phase.

Therefore the current phase gives us an opportunity to reimagine teaching and learning for the post-Covid era. The joys of interactions and the benefits of physical classrooms would never be replaced with digital technologies but the blended learning format provides us with the possibilities to rethink how academics would be handled.

Flipped classroom approach which encourages students to read and consume information from digital avenues ahead of class and thus elevate the classroom discussions for introspections and debates to challenge the young minds would require teachers to do their homework now. Low bandwidth solutions and inexpensive devices to access learning would require innovative work to create solutions and global opportunities are awaiting for entrepreneurs with the right solutions. Not every child can afford a Byju subscription to get access to the attractively packaged content but smart content curated from the rich open source content available on the internet would be the possible way forward.

All of this would require armies of teachers to be trained and supported by education experts and enthusiastic citizens coming together for enriching the content repository for students. To conclude, the digital journey has commenced in the right earnest for the Indian schools – as they traverse their way forward – a combination of imagination, innovation and collaboration will make their journey rewarding.

The writer is chairperson, Global Talent Track, a corporate training solutions company

Tech Bytes

Tech for safe return to office

CHENNAI-BASED BUSINESS SOFTWARE maker Zoho has introduced BackToWork, a comprehensive modular solution enabling businesses and organisations to safely transition back into the workplace. Free for the remainder of 2020, BackToWork, powered by Zoho Creator, is the latest programme, built in India, to be introduced as part of the company's ongoing relief efforts to support businesses impacted by the pandemic around the world. Hyther Nizam, VP – product management, Zoho, said, "As the lockdown is being eased, and organisations are planning to re-open in some parts of the country, we want to help them resurge, this time through BackToWork, an application enabling companies to maintain end-to-end workplace safety." Scalable to organisations of all sizes, BackToWork supports chief operations officers, chief human resources officers, facility heads and their teams in making critical decisions around returning to the workplace without compromising on the safety and compliance aspects. The robust application consists of six modules – Safe Entry, Employee Wellness Assessment, Maintenance and Assets, Admin Control Panel, Volunteer and Communication – designed to address every concern involved in the process of re-entering the workplace, all within one secure, easy-to-navigate solution.

Making workplaces agile & smart

WITH GROWING DIGITAL transformation, there has been a clear impetus on the need for companies to revamp their office premises to be eco-friendly, taking into consideration sustainability aspects including greenhouse gas and carbon emissions. Another important aspect for office and facility administrators today is to find balance in their buildings to ensure health, safety and wellbeing of their workforce. Towards this, L&T Technology Services (LTTS), has expanded its collaboration with Microsoft and launched its latest and enhanced version of the i-BEMSTM solution on Microsoft Azure to transform buildings into future-ready smart campuses. LTTS' Intelligent Building Experience Management System i-BEMSTM is a system-of-systems solution that focuses on creating digital experiences and intelligent space management. The cloud-based smart buildings/ campus/ spaces solution helps monitor and manage building operations and optimise business metrics leveraging advanced IoT based Edge Analytics and machine learning algorithms.

Gadgets

JABRA EVOLVE2 65

Portable quiet room for your head

Evolve2 65 is extremely light, has a comfortable design and top-notch audio performance

SUDHIR CHOWDHARY

WORKING FROM HOME for almost four months now, this reviewer has truly discovered the utility of wireless headphones. As voice and video calling has increased manifold, the beauty of these audio accessories (wireless headphones) is that they are wire-free and hands-free, giving you the freedom to move about anywhere in your home and yet stay connected. True, many people are averse to over-the-ear, aviation type headsets; they kill the outside sound effectively, but they tend to be bulky and cause discomfort, especially during the hot summer months. Youngsters, on the other hand, have a strong preference for the trendy TWS earbuds or neckbands that are light and portable.

Jabra Evolve2 65 wireless headset (Stereo and Mono, priced separately) is trying to meet the two worlds here. It is extremely light and has comfortable design, does not cover the ears entirely, and call clarity is great so is its mic clarity. Comfort, calls or connectivity – it ticks all the boxes right. It has dedicated controls for Microsoft Teams as well. All in all, with Evolve2 65, Jabra is taking audio quality to a whole new level. Let us take a look at some of its key features and performance.

The Evolve2 65 headset is assembled using durable, premium materials— soft memory foam cushions that mold to your ear's natural contours. The earpads are lined with a perforated leather-like material, behind which are 40mm drivers delivering a frequency range of 20Hz to 20kHz. The overall fit is lightweight and secure, with plush, silicone-coated foam cushioning on the inside of the headband for added comfort.

The Evolve2 65 has three strategically placed powerful professional microphones, advanced digital chipset and latest signal processing technology, which not just provide great call experience but also sets a new standard of great calls. The right earcup houses a three-button array on its side panel, with the middle button controlling playback (pausing automatically puts the headset in ambient listening mode so you can easily talk in person), and the outer buttons control volume up/down and track navigation. The middle button can also be used for answering/ending calls or opening a Microsoft Teams notification and launching the Microsoft Teams app.

As I mentioned earlier, there are three microphones of which two are located in the boom-arm and one in the right ear cup. The headset offers upto 37 hours of battery life (in 90 minutes and eight hours battery life in 15 minutes) and three times a better real wireless range than the existing Evolve 65. You can connect upto two devices, the Bluetooth range is upto 30 metres from a mobile or laptop.

There's a busy light here as well; the red light is automatically activated when you're on a call or in a meeting, or you can activate it yourself at the touch of a button. So, even when you're right in the middle of everything, your busylight will protect you from all angles, and all interruptions. It's like having a built-in security guard for your concentration.

Working from home can be quite chaotic, there's background noise all over that can really disrupt your work-flow. My advise: Simply put on the Evolve2 65 and feel the noise around you instantly fade, as the isolating foam oval ear cushions and new angled earcup design work to effectively block out your surroundings, giving you passive noise-cancellation. Comfortable fit and very good stereo audio performance is a big draw here.

■ Estimated street price: ₹30,557 (Evolve2 65 Stereo), ₹29,330 (Evolve2 65 Mono)

GODREJ UV CASE

Stay safe, keep pathogens at bay

The Godrej UV Case disinfects and decontaminates items of daily use—mobiles, masks, clothes and more

SUDHIR CHOWDHARY

THESE ARE PANDEMIC times and personal health and safety is top priority for everyone. Towards this, Godrej Security Solutions (GSS) has debuted its UV Case and expanded its health security segment. Its portfolio addresses the issue of sanitising daily objects, equipment and surfaces that come in contact with several people.

The UV case comes in three sizes—15L, 30L and 54L —for home use to industrial use starting at ₹8,999. I reckon the offering is apt for a diverse customer profile – hospitality, healthcare, leisure, retail, and homes. It uses the UV-C light disinfection technology that helps to create a multiple barrier approach to reduce transmission of viruses based on current disinfection data and empirical evidence. Worldwide, UV-C sterilisation is the most established scientific method for dry killing more than 65 families of pathogens, viruses and bacteria, including Sars-CoV-1.

A little word of caution here. The UVC light technology is a scientific method that requires the right amount of exposure of the objects to the UV light rays. Thus, experts caution consumers to use only products which are certified by competent laboratories and authorities. Two such trusted certifications which is a mark of safety for UV based products are CSIR-Central Scientific Instrument Organisation (CSIR) and CE certifications. CE marking is a certification mark that indicates conformity with health, safety, and environmental protection standards for products sold within the European Economic Area. The CE marking is also found on products sold outside the EEA that have been manufactured to EEA standards. The UV Case by Godrej carries both CSIR-Central Scientific Instrument Organisation (CSIR) and CE certifications.

The Godrej UV Case disinfects and decontaminates almost everything used by an individual daily—mobiles, masks, newspaper, clothes, accessories, books, bags and many other articles. It can also be helpful for the healthcare sector for sanitisation of PPEs kits.

According to Mehernosh Pithawalla, vice-president, Godrej Security Solutions, the UV case enables homeowners and commercial establishments to sanitise their daily-use items like watches, wallets, keys, mobiles, clothes, parcels, among others. "Stationery, medical equipment, and salon products can be disinfected in the case to protect and sanitise them before use. Shop owners can disinfect their items for sale before and after customers have had a touch and feel of the same," he says.

The product is currently available across stores from GSS and on its website, shop.godrejsecure.com.

■ Estimated street price: ₹8,999 onward

Investor

MONDAY, AUGUST 10, 2020

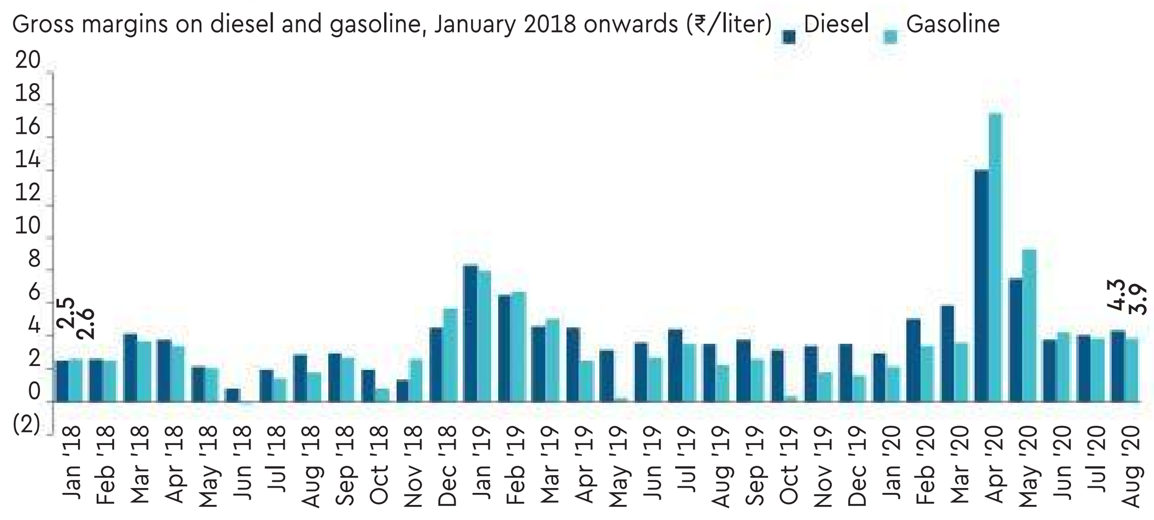
EXPERT VIEW

We retain our 'Buy' rating on IOCL noting attractive valuations at 7X FY2022e EPS and healthy dividend yield of 5%

—Kotak Institutional Equities

Marketing margins on auto fuels remain above normative levels

Gross margins on diesel and gasoline, January 2018 onwards (₹/liter)



Source: Kotak Institutional Equities estimates

IOCL RATING: BUY

Strong underlying showing in quarter

Elevated marketing margins to offset refining weakness; FY21-22e EPS cut by 2%; 'Buy' retained with TP of ₹110

IOCL'S NORMALISED RESULTS were well ahead of our estimates in Q1FY21 reflecting higher-than-expected margins for refining, marketing and petchem segments; reported results were impacted by surprising inventory loss, which is expected to reverse in the near term. We reiterate **Buy** expecting elevated marketing margins on auto fuels to offset the ongoing refining weakness. We reduce our FY2021-22 EPS estimates by 2% and Fair Value to ₹110 from ₹115 earlier.

Higher normalised Ebitda led by robust underlying margins across segments: IOCL's normalised Ebitda, adjusted for inventory/forex movement, was well above our estimate at ₹86.3 bn in Q1FY21; volumes were expectedly weaker across segments. Inventory-adjusted refining margins remained healthy at $4.4/bbl; inventory-adjusted marketing margins jumped 84% q-o-q to ₹3,823/ton.

Reported Ebitda at ₹55.1 bn, included cumulative inventory loss of ₹32 bn and modest forex gain of ₹0.8 bn. The company accounted inventory loss of ₹46 bn in the refining segment marking down crude inventories to cost price of around $30/bbl, which was lower than the net realisable value at end-period. IOCL reported net income of ₹19.1 bn (EPS of ₹2.1) in Q1FY21 versus loss of ₹51.9 bn in Q4FY20.

Lower end-demand and higher inventories to impact refining operating rate: In the Q1FY21 conference call, the management indicated—(i) demand for diesel has reduced to 77% of normal volumes in July from 82% in June, while gasoline has increased to 89% of normal volumes in July from 85% in June; (ii) IOCL's current crude and product inventories are higher than normal levels of 45 and 15 days, respectively; (iii) utilisation for IOCL's refineries moderated to 90% in July and are anticipated to be lower y-o-y in FY2021; (iv) gross debt as of end-June 2020 was ₹986.1 bn; and (v) capex guidance remains at around ₹260 bn for FY2021.

Fine-tune EPS estimates: We reduce our FY2021-22 EPS estimates by modest 2% factoring in (i) lower underlying refining margin; (ii) higher auto fuel marketing margins; and (iii) other minor changes. Our Fair Value of ₹110 is based on 6X FY2022e Ebitda plus the value of investments. We retain our **Buy** rating noting attractive valuations at 7X FY2022e EPS and healthy dividend yield of 5%.

KOTAK INSTITUTIONAL EQUITIES

RBL BANK
RATING: **UNDERWEIGHT**

Asset quality uncertainty is a concern

Core revenue growth slowed in Q1; UW retained given fuzzy outlook on asset front and muted RoE prospects

CORE REVENUE GROWTH slowed as expected, given (i) slower loan growth (down 2% q-o-q and flat y-o-y); (ii) lower margins (down 8bps q-o-q); and (iii) lower fees (down ~45% y-o-y). Operating expenses were down 2% y-o-y but below our estimate – this drove a 22% core PPoP miss. The bank made further contingency provisions, which were partly offset by strong capital gains. F1Q21 EPS declined 56% y-o-y and was ~10% below our estimate.

Overall moratorium level improved sharply to 14% in June vs. 33% in April

The improvement in moratorium was led by wholesale banking, where moratorium level improved from 22% to 5% of loans. Non-wholesale banking moratorium improved to 30% vs. 45% – while most segments improved, led by MFI (~75% collection efficiency in July), credit card portfolio improvement was relatively milder – from 24% to 22% of loans. The bank mentioned that ~51% of current moratorium loans are from Moratorium 1.0 and 25% have paid in July. This implies that customers who haven't paid any amount over the past 4-5 months would be in high single digits. The bank mentioned that 70% of the credit card moratorium pool is salaried and 95% of the customers have never been delinquent historically.

The bank made more contingency provisions (₹2.4 bn in F1Q) and total stock is now at ₹3.5 bn (0.6% of loans). It said this was mainly towards the credit card portfolio. For F21, the bank maintained its credit costs guidance at a level similar to F20 (3.4%), mainly driven by the retail/SME segments. Liquidity position is strong with LCR at 163%. Deposits grew 7% q-o-q in F1Q21; the bank noted that the growth was broad-based across segments. It has also started to reduce rates on term deposits over the past few months.

On growth, the bank sounded cautious; it expects a gradual pick-up in 2HF21

Bank is closely tracking COVID-19 case counts, as the continued rise is leading to some fresh/repeat lockdowns and impact on business operations. Growth would be led by non-wholesale banking loans, the share of which has increased from 44% in F19 to 53% in F1Q21. Wholesale banking portfolio fell 18% y-o-y in F1Q21 and we expect continued moderation (non-wholesale banking grew 24% y-o-y, down ~8% q-o-q). CET 1 ratio was 15.2% vs. 15.3% last quarter.

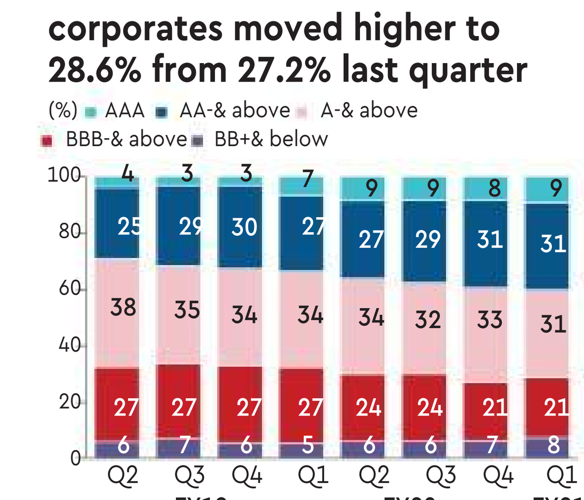
The improvement in moratorium was led by wholesale banking, where moratorium level improved from 22% to 5% of loans. Non-wholesale banking moratorium improved to 30% vs. 45%

Valuation is inexpensive, but lack of visibility on asset quality and muted RoE estimates keep us UW

This is driven by high exposure to BBB and below-rated corporates and unsecured retail loan segments.

MORGAN STANLEY

Share of BBB and below rated corporates moved higher to 28.6% from 27.2% last quarter



Source: Company data, Morgan Stanley Research

GODREJ PROPERTIES
RATING: **BUY**

Resilient show in Q1 despite Covid-19 pain

While disruption could get stretched, prospects robust in long term; 'Buy' retained

GODREJ PROPERTIES (GPL) clocked robust pre-sales of ~₹15.3 bn (up 71% y-o-y, down 36% q-o-q) in Q1FY21 aided by its 10:90 payment plan. With just one project launched during the quarter (versus 17 in FY20), ~93% of sales came from existing inventory. Covid-19 impacted both execution and collections, leading to negative operating cash flows. That said, GPL has a robust launch pipeline of ~15.4msf for FY21; however, the pandemic can prolong the disruption into the near term. We continue to follow the old accounting standard; maintain **Buy** with a revised TP of ₹1,069 (₹1,058 earlier) while rolling forward the valuation to December 2021e.

Healthy sales performance despite muted launches: GPL's new sales in Q1FY21 were aided by: (i) digital tools; (ii) NRIs, who accounted for ~50% of bookings; and (iii) the 10:90 payment plan. Work has resumed on almost all sites post-lockdown.

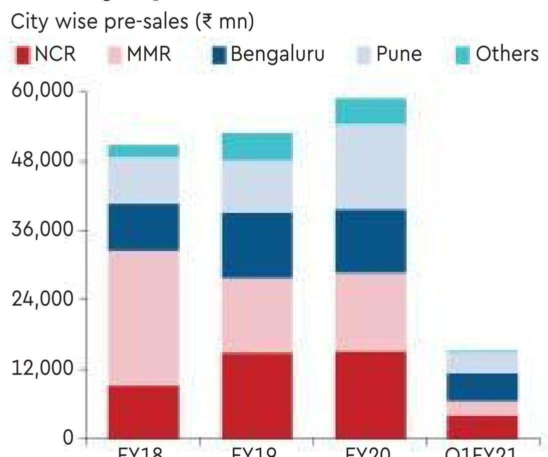
Leverage inches up q-o-q: Limited construction activity impacted collections adversely (down 70% q-o-q); consequently operating cash flow slipped into red while net cash outflow was at ~₹6 bn. Leverage rose q-o-q with the company ending the quarter with net debt of ₹17.5 bn. Net debt to equity stands at 0.37x (0.24x in Q4FY20).

Outlook: Robust long-term prospects—As highlighted earlier, RERA-driven consolidation bodes well for GPL, which is well placed to maintain its leadership in the realty space. While Covid-19 will mar near-term performance of realty players, we believe GPL's strong brand and lean balance sheet will enable it to continue to gain market share. We maintain 'BUY/SO'.

EDELWEISS

Steady uptick in sales

City wise pre-sales (₹ mn)



Source: Company, Edelweiss research

Personal Finance

GOLD LOANS

Now borrow more against your gold

The interest rate on gold loans can range from 7.5% to 29% per annum depending on LTV ratio, loan tenure and repayment option

SAIKAT NEOGI

BORROWERS CAN NOW unlock more value from their idle gold jewellery as Reserve Bank of India has raised the loan-to-value (LTV) ratio for loans against pledged gold to 90% from 75% till March 31, 2021. Individuals and small entrepreneurs can now borrow more from banks by pledging gold to manage the liquidity challenges because of Covid-19. However, gold finance companies such as Muthoot Finance and Manappuram Finance cannot lend at the higher LTV.

With many people facing cash crunch in these extraordinary times and banks turning risk-averse to unsecured loans, demand for gold loans has risen. Banks find it safe to lend against gold — the collateral provides adequate risk cover against any future default—while customers get loans faster with less documentation and even at lower rates of interest.

As gold prices have soared 42% between January 1 to August 6, 2020 and have touched lifetime highs, borrowers can raise a higher loan amount against jewellery. With the increase in LTV ratio, now borrowers will be able to get an even higher amount against the gold jewellery. However, experts feel that the increase in LTV for loans against gold increases the risk of the lenders as any correction in the gold prices may lead to defaults.

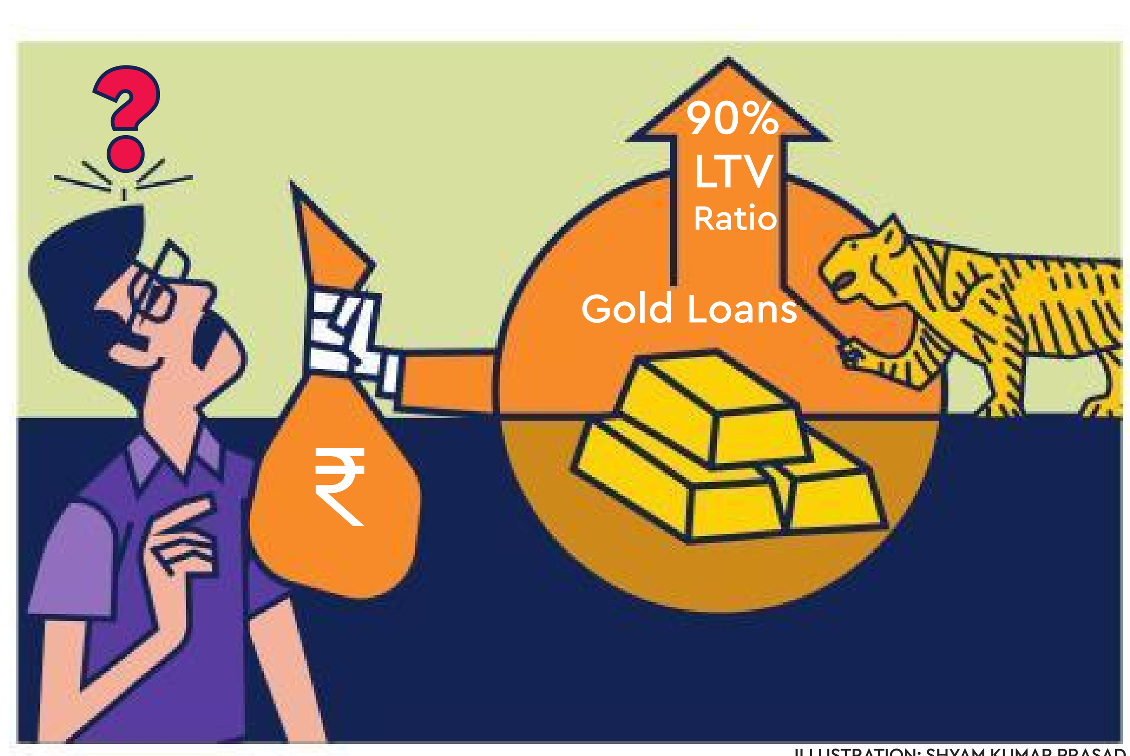


ILLUSTRATION: SHYAM KUMAR PRASAD

Gold loan: Interest rates, processing fees and tenure

Banks/NBFCs	Interest rates	Processing fee	Max tenure (mths)
SBI	7.50%	**0.50%** of loan amount, minimum ₹500	36
HDFC Bank	9.90%	**1.50%** of the loan amount	24
ICICI Bank	10.00%	**1%** of the loan amount	12
Canara Bank	7.65%	**1%** of the loan amount, Min ₹1,000 and Max ₹5,000	12
Andhra Bank	10.70%	**Nil** processing fees	12
Muthoot	12–25%	**0.25%** to 1% of loan amount	36
Manappuram	12–29%	**₹10** (to be paid at time of settlement)	12

Note: The interest rates of banks are starting rates and will vary depending on type of product, loan amount, tenure, etc. List is not exhaustive

Source: MyLoanCare

How to get loan against gold

For the valuation process, the gold jewellery accepted as security or collateral will be valued at the average of the closing price of 22-carat gold for the preceding 30 days as quoted by the Indian Bullion and Jewellers Association. If the gold is of below-22-carat purity, the bank will convert the collateral into 22 carat and make an exact valuation.

For documentation, banks need address and identity proofs. Customers also need to prove ownership of gold being pledged. Some banks may even ask for a no-objection certificate from the lady of the house for giving the loan. The tenure of gold loan can be seven days to three years with a few lenders offering tenures of up to five years. As longer loan tenure means higher interest outgo, opting for a gold loan will be more cost-effective if one is confident of repaying the loan within one or two years.

Points to watch out for in gold loans

The interest rate on gold loans can range from 7.5% to 29% per annum depending on the LTV ratio, loan tenure and the repayment option opted for (See graphics). Interest rates will be higher for longer tenure and higher LTVs ratio. In contrast, the interest rate of personal loans ranges from 8.45% to 26% per annum. Like all types of loan, borrowers with a good credit profile will be charged a lower rate.

For processing fee, some lenders may charge 0.5-1.5% of the loan amount or a flat fee of as low as ₹10. A borrower must compare the processing fee and look at the credibility of the financing company before finalising the loan.

There are various types of repayment options in gold loans apart from the regular EMI option. A borrower can just pay the interest component each month and pay the principal amount on maturity. He can also repay the interest amount upfront at the time of loan disbursal and pay the principal amount at the end of the loan tenure or do a bullet payment of both the principal and the interest at the end of the end of the loan tenure. So, one must look at all the repayment options carefully.

After the loan amount and the interest are repaid, the customer gets back the gold in exactly the same state and weight that she gave at the time of taking the loan. In case the borrower fails to repay the loan, the lender can liquidate the gold pledged to recover the money.

Have you done a financial audit on yourself?

A quick self-audit will tell where you stand in terms of your financial worth

YOUR MONEY

SAMEER JOSHI

WITH COVID-19 PANDEMIC impacting every aspect of our lives, it's time to reflect on the financial decisions made over the years. This exercise will not only help gauge your financial worth, it will ensure you're on track to meet your life goals.

Here's a concise checklist that can help you perform a financial audit on yourself.

Assets

These are any financial resources that can generate income or add value to your finances such as cash in hand, savings account balance, investments, property and receivables such as interest due on deposits. Taking stock of your assets gives you a clearer picture of your current income as well as the deferred benefits, and helps you see how well-prepared you are to pursue your life goals.

Liabilities

These are the financial obligations that you owe lenders or service providers such as personal loans, home loans, credit card dues, and any other payables. By auditing your finances, you can ensure that you have sufficient resources to pay off your liabilities as and when they're due.

Exigencies

Next on this checklist are exigencies and essential expenses that may be recurring outlays or one-time costs. For instance, your children's school fees are regular, recurring expenses. There may also

ILLUSTRATION: SHYAM KUMAR PRASAD

be emergency expenses. Inflation accounting is another important area to focus on, so that you're prepared to meet future expenses as well.

Financial plans

Assess your saving habits as part of your audit. List your short-term and long-term life goals, and then formulate a financial plan that can help you meet these targets as per the timeline you've drawn out.

Protection net

Even with the right financial plans in place, there's no telling when life can throw a curveball your way. A life insurance plan can prove to be indispensable. So, ensure that you have this protective net in place.

Following this practice of self-auditing may reassure you of your financial well-being or may make you feel anxious about your financial stability. That's reasonable, but don't let panic guide your decisions. Use this time to take stock of your situation and put your financial worth in order.

The writer is chief agency officer, Bajaj Allianz Life Insurance

BrandWagon

MONDAY, AUGUST 10, 2020

NUMEROLOGY

70% metro dwellers are likely to purchase a new car in the next 6 months
70% non-metro respondents say they will opt for a used car
50% across metros and non-metros have a budget of <₹3 lakh for a car

— OLX Auto Note

TRAVEL

Waiting to take off

A look at staycations, flexible bookings and other ways travel aggregators are trying to get customers back on board

DEVIKA SINGH

ONLINE TRAVEL AGGREGATORS (OTAs), who have been in the eye of the storm owing to the pandemic, have reported no business for almost a quarter. With the resumption of economic activity and easing of air travel restrictions, OTAs are trying to tap the pent-up demand for travel, with a focus on domestic offerings like 'staycations' and 'workations'.

"People have been holed up for a long time; we have seen pent-up travel demand in the last six-eight weeks. However, keeping safety in view, consumers are increasingly opting to travel to nearby areas within driving distance," says Sameer Wadhwa, partner, Deloitte India.

Flight booking volumes on platforms like MakeMyTrip and Goibibo are only 15-20% of pre-Covid times. Accommodation bookings, on the other hand, are below 10% for most players in the segment. OTAs get a major share of their business, about 85%, from flight and hotel bookings.

According to experts, the travel booking market in India — in which OTAs have a 40-45% share — had been growing at a CAGR of 10-12% for the past eight years, and was estimated to be worth $45-50 billion by 2021. Owing to the current downturn, they say, the industry would reach this estimated size only by 2023.

Changed itinerary

Most OTAs have reported an uptick in enquiries for localised and regional travel, as also for 'workations', which basically means stays for longer durations, from working professionals. "On MakeMyTrip, we recently launched an inventory of more than 4,000 short-term holidays covering over 700 destinations to help travellers choose from a variety of drivable options," says Vipul Prakash, COO, MakeMyTrip. The company has seen a spike in staycation searches to destinations located within 300 km from metro cities, such as Himachal Pradesh, Uttarakhand, Rajasthan and Goa.

Booking.com has reported a similar trend. "Our domestic accommodation bookings represented approximately 45% of the total global business, which increased to approximately 70% in April. We are seeing a similar trend in India," says Ritu Mehrotra, country manager – India, Sri Lanka and The Maldives, Booking.com.

The focus on domestic options apart, MakeMyTrip is offering e-pass assistance service for inter-city cab travel, while Goibibo has seen a 10% recovery in its cab vertical, compared to the pre-Covid period. To lure customers, these players are offering flexible booking and check-in policies, and discounts.

"Many of our accommodation partners are offering deals, but we have realised that customers are not travelling due to safety reasons. So, we have introduced a future travel voucher for our customers, using which they can lock in these great prices and travel within the next six to nine months," says Sunil Suresh, CMO, Goibibo.

MakeMyTrip, too, has introduced a 'Book Now, Pay Later' option, which allows customers the flexibility to book a holiday for ₹1,000 and make modifications to the travel plan 72 hours before the travel date, without any liability.

Long layover

The setback is severe, and industry watchers say recovery in the near term is a bleak prospect.

"The impact of Covid-19 has been immense on this sector; we do not see it recovering to pre-Covid-19 levels for months, if not years," says Mehrotra of Booking.com.

OTAs, experts say, will emerge out of this crisis if they strategise by identifying the areas from where demand is being generated. "They will need to create the right packages and tailor their communication and marketing messages to capture this demand quickly," says Wadhwa of Deloitte India.

There is also a need for these aggregators to work with their hotel partners and help them adapt to digital methods for efficiency, moving over traditional models of operating.

According to Ankur Pahwa, partner and national leader – e-commerce and consumer internet, EY India, these companies will have to create a good inventory of houses, villas, etc, to be able to offer a variety of experiences to consumers. "With social distancing being the norm, these companies will not be able to offer experiences like before. Hence, they need to figure out ways in which to bring a unique flavour to the accommodation and make it an experiential holiday," he adds.

RETAIL

Shopping on video calls

Retailers are using the video calling feature to boost sales

VENKATA SUSMITA BISWAS

MALLS AND STORES that have opened in some parts of the country are yet to see substantial footfall, as consumers are still hesitant about stepping out. According to a survey by Retailers Association of India, malls witnessed 77% degrowth, while high street retail saw a decline of 61% in business in the first half of June, as compared to the same period last year.

To counter this, retailers in the high-value and luxury segment have introduced video calling through apps such as WhatsApp, Instagram and Skype, to drive sales. Will this merely become an avenue for window shopping or could this really help businesses in the long term?

Three's a crowd

Jewellery brands Tanishq and Kalyan Jewellers, automobile manufacturer Skoda, footwear brand Crocs, fashion rental service Date The Ramp, and South Indian textile chain Pothys have hopped on the video calling bandwagon.

"Since we don't allow a group of more than two to visit the store, customers began video calling their families from our stores," says Ramesh Kalyanaraman, executive director, Kalyan Jewellers. It is with this insight that the jewellery chain launched its own video calling facility to showcase products to a large group of buyers.

Additionally, video calling drastically cuts down the time spent in the showroom. Typically, customers visiting a jewellery store or an apparel showroom spend a couple of hours viewing, trying on, and selecting a product for purchase.

Tanishq, which has rolled out the video calling option in 200 of its 330 stores, says it has served 1,800 customers in six weeks. "An average video call lasts about 45-60 minutes, and is preceded by a telephone call with the store manager where customers list their basic criteria such as budget, type of product, weight, etc," says Ajoy Chawla, CEO, jewellery division, Titan.

> **Video calling drastically cuts down the time spent in the showroom. Typically, customers visiting a jewellery or apparel store spend a couple of hours viewing, and selecting a product**

Date The Ramp, which sources and rents fashion garments, encourages customers to first do a video call over Instagram with the store staff to shortlist the product. "Customers can then book an appointment and come try the pieces they have shortlisted, limited to three. The products that the consumer does not choose are then steamed at high temperature and quarantined separately for minimum 24 hours," informs Chinmoy Panda, founder and CEO, Date The Ramp.

The average ticket size generated via video calling has been encouraging, according to some of these companies. In the case of Tanishq, for instance, it has been around ₹2 lakh, and a total of ₹38 crore worth of sales have taken place as a result of video calls. "Overall, the ticket size of online purchases has increased from ₹13,000-14,000 to ₹30,000 this year," Chawla adds.

Kalyan Jewellers is seeing a conversion rate of nearly 90% on video calls. Consumers browsing apparel on Date The Ramp via Instagram videos are renting clothes worth ₹20,000 and above, for upcoming weddings.

Size matters

The challenge for these retailers has been scaling up home delivery. Most of them still need the consumer to come to the store at the specified time to pick up the product, even if the payment can be made online. "We are home delivering to customers who have made big-ticket purchases, and want to check the product once before closing the deal," says Kalyanaraman.

According to Shankar Shinde, managing partner, Geometry Encompass, video calling works mainly in the premium category, where the ticket sizes are large. However, greater video integration can also help drive small-value purchases, says Shinde. "Retailers could provide shoppers with a video experience of shopping aisles to increase the cart size. Seeing products on store shelves promotes buying," he adds.

In The News

Ogilvy wins creative mandate for CARS24

OGILVY HAS WON the creative duties of CARS24, a platform for buying and selling used cars online. The business will be handled by the agency's Gurugram office. The agency has been tasked with building and scaling up the brand and its marketing initiatives. The mandate includes crafting communication across TV, print, radio and social media.

Ketan Patel to lead HP Greater India

HP HAS APPOINTED Ketan Patel as the managing director of HP Greater India. He will be responsible for the company's business in India, Bangladesh and Sri Lanka. Patel was previously the head of personal systems category for Greater Asia. He will report to Christoph Schell, chief commercial officer, HP.

Vivo pulls out as title sponsor of IPL 2020

VIVO HAS PULLED out as the title sponsor of the Indian Premier League (IPL), following a social media backlash amid tensions between Indian and Chinese troops in Ladakh. Vivo had reportedly paid ₹2,199 crore for a five-year contract in 2018. The BCCI is scouting for a new title sponsor for this year's IPL, scheduled to be played from September 19 to November 10.

Anupam Bokey joins Allied Blenders & Distillers

ANUPAM BOKEY, WHO was the CMO at Too Yumm!, RP-Sanjiv Goenka Group's FMCG business, until May 2020, has joined Allied Blenders & Distillers as CMO. Bokey had been with Too Yumm! for three years.

Dish TV India adds Korean drama content

DISH TV INDIA has launched Korean Drama Active service on the DishTV and D2H platforms. Subscribers will now have access to premium Korean content across genres, dubbed in Hindi.

Scarecrow M&C Saatchi has a new creative director

SCARECROW M&C SAATCHI has roped in Vijay Assudani as creative director. He joins from Lowe Lintas, and has previously worked with Leo Burnett Orchard.

Motobahn

SUSAN CARPENTER

MOTORCYCLE OF TOMORROW

Heavy on flair, light on the environment

Pineapple 'leather', flax seed instead of plastic: Tarform, based in Brooklyn, US, aims to set a standard with a retro-futuristic cafe racer

METAL. RUBBER. LEATHER. When it comes to motorcycles, the materials used to make them are as elemental as the experience of riding them.

Pineapples, flax seed and algae? They sound more like the ingredients for a vegan salad than a two-wheeler, but a Brooklyn start-up hopes to change that.

It's called Tarform. What Tesla has done to bring zero-emissions transportation into the mainstream, Tarform hopes to do for zero waste, building electric motorcycles that are recyclable and made from natural materials that can biodegrade. "The idea was to create the motorcycle of tomorrow," said Taras Kravtchouk, Tarform's founder and a New Yorker by way of Stockholm. If you were to build a bike with sustainability in mind, he said, "What principles would it be? Electric, but also with the least harm to our environment."

Instead of using polyvinyl chloride, Tarform is crafting its vegan leather seats from pineapple, mango, corn or other naturally derived fibres. Flax seed replaces the plastic on its side panels. And the pigments colouring the bodywork are derived from natural algae rather than toxic paints. Its aluminium frame is, of course, recyclable.

And its battery pack is swappable as technology improves.

Available later this year as a customisable Founder Edition model that starts at $42,000, the Tarform Luna will go into production next year with a $24,000 version. The company already has 1,500 orders, 54 of which are for the handmade Founder Editions that will be built in the Brooklyn Navy Yard.

"Today, we design things for obsolescence," Kravtchouk said. "In the '60s, we used honest materials. That's why vintage bikes from that era still last if you take care of them." Classic, timeless elegance also helps. Beauty is its own form of sustainability; no one wants to throw away something gorgeous.

It was a chance encounter with a fetching 1972 Triumph Bonneville that inspired Kravtchouk to start Tarform and build its retro-futuristic cafe racer. He was running a design agency by day and wrenching his own bikes at night when one of his clients—the motorcycle clothing company Belstaff—asked him to customise a bike for its Los Angeles store. That bike led to other customs for Belstaff shops globally and the realisation for Kravtchouk that building individual motorcycles was tedious.

"I was covered in oil, and I loved it, but I thought, 'Surely this is a dying world,'" he said. "Looking at what Tesla did in the car industry, it completely changed people's perception about what is automotive and what is clean technology."

He started researching electric motorcycles with the idea of building a brand instead of one-offs. He hired an engineer, solicited investors and, by October 2018, had a working prototype.

"For a very small amount of money, they had built an incredibly beautiful bike with a unique electric riding experience," said Karl Alomar, a partner with M13, a Santa Monica, California, venture capital firm. M13, which has invested in SpaceX, Lyft, Bird and other mobility tech start-ups, gave Tarform $300,000 last year after Alomar saw the prototype in person and the reaction it was getting.

Taras Kravtchouk, founder of Tarform, riding one of his company's motorcycles in the Brooklyn Navy Yard, in this file photo

Many electric motorcycle brands are pursuing the same audience, including Harley-Davidson, which introduced its first electric motorcycle, the LiveWire, in 2019, and Zero Motorcycles, the 12-year-old California company that has seen interest in its electric motorbikes double over the past year.

"We feel very strongly about the growth opportunity with electric motorcycles," said Andrew Leisner, senior vice-president of the Bonnier Motorcycle Group. "The traditional baby boomer motorcyclist doesn't think much at all about motorcycles burning gas and rubber, or about sustainability or the organic nature of the components that bike is coming with. But that's very important to Gen Y and even more so to Gen Z," Leisner said. "Sustainability is going to be a huge priority for the generation that's really entering the work force right now."

That generation is already transforming the motorcycle industry, as baby boomers age out of the sport, replaced by younger riders and more women. Almost 70% of millennial riders are interested in electric motorcycles, according to the 2018 Motorcycle Industry Council ownership survey. Women, who account for 20% of motorcycle riders, make up 40% of electric motorcycle owners.

Like electric cars, battery-powered motorbikes make up about 1% of the national market for new vehicles, but the segment is expected to grow as battery prices come down and reduce their overall price. They currently cost about 50% more than their gas-powered counterparts but are expected to reach price parity by 2025.

Like many electric motorcycles, the Tarform is limited by current battery technology. For now, the Tarform can travel about 120 miles per charge. "If there's a new battery pack that comes out in three years with much higher energy density, you can simply swap the battery and suddenly you get 50-100% more range," Kravtchouk said. "That makes a lot more sense than constantly pushing new models and pushing people to get rid of something that's perfectly usable."

The earth, after all, has only so much to give.

Kravtchouk is sourcing many of his bio-based motorcycle parts from fellow start-ups in far corners of the world—including Thailand and Italy—in the strong belief that it's a company's responsibility, rather than the consumer's, to be as sustainable as possible.

"People are tired of being told to buy, to recycle, to be green. In the end, they don't know what to do," he said. "The thing that is ultimately the most sustainable is the one you don't throw away."

NYT

Infrastructure

MONDAY, AUGUST 10, 2020

EXPERT VIEW

Coal-based thermal power generation fell by 20.5% y-o-y (by 0.2% m-o-m) in June 2020. Hydro power generation grew by 20.7% m-o-m. Offtake of coal improved by 4.5% m-o-m in June but fell by 18% on a y-o-y basis

—CARE Ratings

AVIATION SECTOR

Need to arrest downward spiral

Reduction of excise duty on ATF, relaxation of route dispersal guidelines and greater role in Vande Bharat Mission would offer relief to bleeding private carriers

ISHA CHAUDHARY AND ELIZABETH MASTER

INDIA'S AVIATION PLAYERS are staring at potential revenue forgone of ₹1.2-1.4 trn across fiscals 2020 to 2022 as the Covid-19 pandemic has shrunk air travel to a speck. We expect domestic air passenger traffic to drop 55-60% on-year to 60-65 million passengers in fiscal 2021 (similar to fiscal 2014 numbers). Fares are expected to decline post end of the capping period (November 25, 2020 onwards), leading to a 60-65% fall in airline revenues. And despite the 35-40% decline expected in fuel costs, the hit to revenues will translate into operating losses for the current fiscal.

To boot, the second quarter is seasonally weak and some revival is expected only from the third or fourth quarter with the advent of the festive season. That depends, of course, on how the pandemic pans out. Some amount of business traffic is expected to be lost permanently, with tectonic shifts in the way of business and work. Leisure travel is also expected to take a backseat.

Though domestic air services resumed on 25th May, 2020, airlines capacity in July 2020 was hovering at merely 30% of July 2019 levels. Following a spike soon after resumption, passenger numbers settled down at merely 18-20% of July 2019 levels, as people fly now only if essential. The ever-rising Covid-19 caseload, banning of flights by states from highly affected zones, varying quarantine requirements of different states, and re-imposition of lockdowns in cities are not helping either.

All this is fueling a downward spiral. Airlines are operating a skeletal network, depressing system load factors to 55-60% in July 2020 compared with 85-87% a year ago. The resumption is just about aiding airlines cover their variable costs and generate upfront cash.

The pandemic will also affect the net fleet addition for Indian carriers this fiscal. As of March 31, 2020, ~900 aircraft were on the order list. But traffic is unlikely to rebound to even fiscal 2020 level in the medium term. In this milieu, fleet additions are likely to be limited to replacement of older generation leased aircraft.

If not a bail-out, a balm would help

Globally, economies with a higher share of tourism, better airline networks and higher contribution of aviation to the country's GDP have announced special packages for the sector. For instance, the United States offered up to $50 billion support in the form of part-grant/part-loan to its private carriers, Germany made an equity investment of 9 billion euro in Lufthansa, while France and Netherlands offered up to 10 billion euro loan assistance to the Air France-KLM group.

India has not seen much direct support from the government yet – given the limited fiscal space and pressing humanitarian priorities. However, it could provide immediate respite to airlines in the following three ways. One, reduction of excise duty charged on aviation turbine fuel (ATF), which is currently 11%, or inclusion of ATF under Goods and Services Tax, would allow airlines the full benefit of input tax credit. Fuel forms a considerable 30-45% of an airline's cost base.

Two, the temporary suspension/watering down of route dispersal guidelines till the end of current fiscal would aid airlines deploy capacity only on profitable routes. Three, an increase in private carrier participation in the Vande Bharat Mission on short and medium haul routes till scheduled international airline services remain suspended, would help private carriers recoup some losses, as VBM routes are profitable.

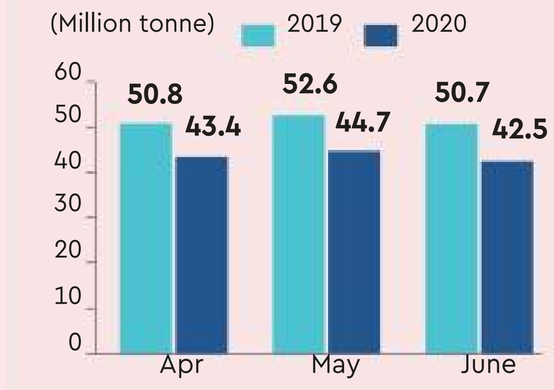
These small but significant steps could go a long way in giving a leg up to the industry, which once flew.

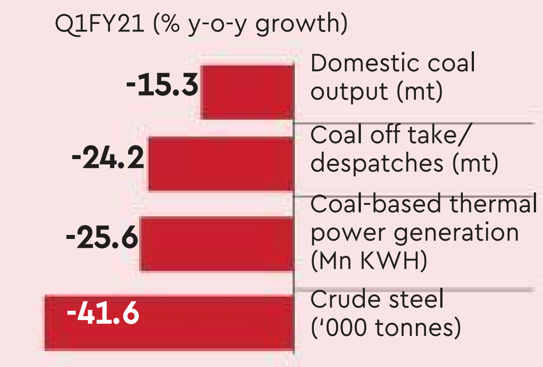
Isha & Elizabeth are Director & Associate Director, respectively, Crisil Research

DATA MONITOR

Coal production lost some steam in June

India's coal production fell by 4.9% in June 2020 compared with May 2020 after having reported marginal growth in May 2020 on a m-o-m basis. Compared with June 2019, coal production was lower by 16.2%. Higher inventory of coal and lower offtake by end-user industries resulted in the fall in coal production. Renewed lockdown measures in several parts of the country to contain surging cases of coronavirus continued to weigh on the demand for coal.





Source: Care Ratings, Ministry of Coal, CEA and JPC

Quick View

Total outstanding dues of discoms up 47% y-y to ₹1.33 trn in June

THE TOTAL OUTSTANDING dues of distribution firms to power producers rose over 47% y-o-y to ₹1.33 trillion in June 2020, reflecting rising stress in the sector due to the Covid-19 induced crisis. The discoms owed a total of ₹90,655 crore to power generation firms in June 2019, according to the PRAAPTI (Payment Ratification And Analysis in Power procurement for bringing Transparency in Invoicing of generators) portal. The total overdue amount not cleared even after the 60 days of grace period offered by generators stood at ₹1,20,041 crore in June 2020, as against ₹72,362 crore in the year-ago period. The discoms' total dues stood at ₹1,26,963 crore in May 2020. The PRAAPTI portal was launched in May 2018 to bring in transparency in power purchase transactions between the generators and discoms.

Transport sector to contract by 18-20% in FY21: Icra

THE DOMESTIC ROAD transport sector is likely to contract by up to 20% on account of COVID-19 induced challenges, rating agency Icra said on Thursday. It has also revised the outlook for the logistics sector from 'Stable' to 'Negative'. The restrictive measures implemented by governments to contain the disease had adversely impacted the prospects of the logistics sector, especially road freight transportation movement. "In FY2021, Icra expects a contraction of 18-20% year-on-year in aggregate revenues of its sample of logistics companies," it said.

Dilip Buildcon bags road project worth ₹1,140.50 cr

DILIP BUILDCON SAID on Tuesday that it had bagged a road project worth ₹1,140.50 crore in Telangana. "The company has been declared as L-1 bidder in the tender floated by the National Highways Authority of India for the...project in the state of Telangana," the company said in a filing to the BSE. The project, having a length of 52.60 km, was to be completed in two years, it said. It entails four-laning of NH-363 from Repallewada to the Telangana/Maharashtra border in the state of Telangana.

Startups

INTERVIEW: RACHIT CHAWLA,
Director, Technology & Finance, Risers Accelerator

A startup's approach has to be always laser-sharp

Risers Accelerator offers a complete package of services to startups to ensure their speedy and sustainable growth. The accelerator is backed by 35 entrepreneurs with a total net worth of ₹3,000 crore. **Rachit Chawla**, *director, technology & finance, Risers Accelerator, speaks to* **Sudhir Chowdhary** *on the current investment scenario and problems faced by the startups during the pandemic period. Excerpts:*

What kind of startups does Risers support? What are the services it offers?

We are looking for startups that are impacting the society positively and have the potential to contribute towards nation building. Our mission is to transform business ideas into feasible plans, and plans into profitable startups with financial, infrastructural, and knowledge support. We don't get very excited too early even if the startup promises huge profits. We get excited when they are solving the actual problem and doing something positive in terms of nation building because we already are successful entrepreneurs, and we want to do something for our country rather than make more money. Money can be a great side benefit but it should never be the main focus while choosing a startup.

Typically, what are the problems faced by technology startups in India?

Generally for technology startups, sustainability is the main thing. If they spend too much too soon, they don't get subsequent series, and it is a big problem. Then there's the lack of mentorship. New startups try to do too many things at the same time, and without the right mentorship, it fizzles out. Instead of doing 10 things, their approach has to be very laser-sharp.

The funding/investment situation hasn't changed as far as Risers Accelerator is concerned; we haven't made any changes to our policy. We are still looking for startups. If they meet our criteria, we definitely look forward to funding them. A lot of industries, including hospitality, aviation, tourism, etc., have been under extreme stress and people involved in these industries really have suffered a lot. But those who were already live and funded, they are working towards raising funds during Covid-19 pandemic and Jio is a live example.

Which technology startups has Risers funded during this pandemic?

An interesting startup that we've funded during the pandemic is Sprouts Studio; it provides world class animation services. It is a network that brings together some of the most visually innovative and experienced animation talents from around the world. In our initiative, we launched many digital marketing campaigns centered on children who have been cooped up in their homes. We conducted virtual training classes and innovative classes to reassure the parents that their children aren't idling, but spending their time constructively.

> **We would always invest in startups that are aiming to make a positive impact on the country. If something can help us increase self-reliance, it automatically drives our focus to that particular startup**

Is Risers Accelerator funding any startups as an answer to the PM's call for self-reliance?

We would always invest in startups that are aiming to make a positive impact on the country, and it goes without saying that if something can help us increase self-reliance, it automatically drives our focus to that particular startup.

For example, Zeleno is a smart initiative by an ISB Hyderabad trio towards furthering the 'Swachh Bharat Abhiyan'. Prateek, Nimish and Rishabh came up with this idea on a trip to Europe and they introduced plastic recycling vending machines in India. They decided to use reverse vending technology, to help India out of PET-bottle menace with the concept of 'Throw Trash, Save Cash'. Valued currently at ₹50 crore, Zeleno has been successfully installing the machines in New Delhi and Lucknow. Risers Accelerator holds 10% equity in the company.

Has Risers Accelerator funded any startups that have come up with solutions to fight the pandemic?

One such Risers Accelerator funded startup is Cosmeto Food, which manufactures organic skincare products. It has ventured into the business of producing hand sanitisers. The company has fast established itself as an organic manufacturer and has now set up a special plant in Nalagarh, Himachal Pradesh, just for producing quality hand sanitisers.

Amaresh Ojha, founder & CEO, Gympik

GYMPIK

Connected fitness is the future

This fitness tech firm's solution, Traqade, is helping mid-size gyms get back to the business

SUDHIR CHOWDHARY

MOST INDIAN CITIES are gradually opening up, however the pause in the fitness industry (already staring at huge losses) is likely to last longer. Gympik is trying to be the saviour here; this fast-growing fitness technology platform has integrated virtual training into its flagship product – Traqade—to enable fitness businesses to welcome their members to the virtual world and take their personal training business online.

"The situation remains worrisome for medium and smaller gyms due to the lack of digital infrastructure. Traqade.LIVE puts such fitness businesses on the road to recovery by seamlessly helping them start operating with two revenue streams (offline and online) easily," says Amaresh Ojha, founder and CEO, Gympik. "It allows them to focus on increasing the member lifetime value (LTV) to keep their business moving. Our technology equips businesses of any scale to handle their members' fitness needs in the post- Covid world."

Independent platforms such as Zoom and YouTube are quick fixes, but they are not workable solutions to help the industry recover from the business impact post-Covid-19. Gympik aims to provide the industry with a first-of-a-kind platform to build a scalable model to survive in the changing landscape.

The live-streaming feature integrates seamlessly with Traqade and the entire virtual experience is managed and executed from one platform. This integration allows centre owners to coherently shift to the hybrid business model by offering complimentary on-premise and virtual memberships to acquire and retain members.

Traqade's live-streaming feature is experiencing rapid adoption across various cities. "It has made managing my online classes very convenient. The software saves a lot of effort in tracking down trainers, class schedules, payments, and sending notifications to members about the classes individually. There is no third party app needed, I can now manage online training business from the same software I was using earlier." says Roshan Usakoyal, owner of One More Rep Unisex Hardcore Gym, Pune.

Quick View

Will pay for BPSL after ED case is settled, JSW Steel tells SC

JSW STEEL, WHOSE resolution plan for the bankrupt Bhushan Power and Steel (BPSL) has been approved by the National Company Law Tribunal (NCLT) and the appellate tribunal, on Wednesday told the Supreme Court it was not possible for it to pay the lenders before the completion of the Enforcement Directorate's proceedings against the old management in an alleged money laundering case, as it could be held responsible for the same. JSW Steel had earlier missed the deadline of March 17 to pay ₹19,350 crore for the company, as per the resolution plan. The Committee of Creditors (CoC) held the lenders were losing money due to the delay in payment on JSW Steel's part. The apex court has posted the matter for final hearing in the first week of September.

Total-Adani JV to apply for fuel retailing licences soon

THE NEWLY FORMED joint venture of French supermajor Total and Adani Gas would soon apply to the government for permission to open petrol pumps in India, the latter's chief executive has said. The Total-Adani Fuels Marketing Ltd would apply for licences to offer the full bouquet of auto fuels at retail outlets, Adani Gas CEO Suresh Manglani said. Total had bought 37.4% stake in billionaire Gautam Adani-promoted Adani Gas last year as part of its move to enter the world's fastest-growing fuel market. The government has allowed any entity with a net worth of ₹250 crore to set up petrol pumps in the country.

Average spot power price down 27% y-o-y in July

THE AVERAGE SPOT power price in the day ahead market (DAM) dipped 27% y-o-y to ₹2.47 per unit in July, the Indian Energy Exchange (IEX) said on Wednesday. The attractive price continued to ensure significant savings for distribution companies and industries during the period. The market continued to see high sell side liquidity, with the total sell bids of 9,734 MU being close to 1.9X of the buy bids. The electricity market at IEX witnessed total trade of 5,334 MU in July 2020, registering an increase of 11% over the previous month and being on a par with the volume traded in the year-ago period.

Education

MONDAY, AUGUST 10, 2020

REWRITING NEXT CHAPTER IN EDUCATION

Venguswamy Ramaswamy, Global Head, TCS iON

"The Indian education sector needed something that could reimagine and remould the creative capacities of students and the youth. The NEP 2020 is a step in that futuristic direction. It has the architecture of inclusivity, creativity, flexibility and technology to enable India to rewrite the next chapter of education."

NEP 2020

Ringing in a new future

Paradigm shifts in all aspects of education

Narayanan Ramaswamy

THE NATIONAL EDUCATION Policy (NEP) 2020 is a bold attempt to reimagine education in India. The existing system has remained fundamentally the same since modern education was introduced in India, and needed a complete overhaul. This was much-awaited since India is believed to have entered the demographic bulge in 2018. This golden period—predicted to last till 2055—will be driven by the quality and productivity of our people.

The NEP, while being modern in outlook, also amply borrows from India's rich heritage and aims to nurture and enhance it further. The policy talks about emerging technologies, changing employment landscape, India's commitment to SDG 2030 goals in good measure across the document. Taking inspiration from institutes like Takshashila and Nalanda, it emphasises a liberal style of education, recommends a seamless blend of arts, humanities, physical fitness, languages, in addition to science and mathematics.

The NEP recommends universalisation of Early Child Care and Education (ECCE), and introduces the 5+3+3+4 format—emphasising foundational numeracy and literacy at the end of initial five years (equivalent to current grade 3). Assessment in schools would undergo a big change—rote memorisation is making way for formative, competency-based assessment that tests higher-order skills such as conceptual clarity, analysis and critical thinking. This, in my view, could be the single most important contribution to reforms in the education system. Even for 10th and 12th grades, while there will be summative assessments, there will be two exams in an academic year—thereby helping divert the unnecessary attention, almost an obsession that is prevalent today with board exams. In addition, the NEP recommends modern subjects such as coding to be introduced in class 6; in the same measure, it recommends having compulsory vocational education from the same class. It promotes inclusivity with a Gender Inclusion Fund and Special Education Zones to support economically and socially disadvantaged groups.

The NEP provides greater flexibility to students in choosing the subjects. Rigid demarcation between arts & sciences, curricular & extracurricular subjects or vocational & academic streams will cease to exist. The NEP's call to consolidate and transform all higher education institutions into large multidisciplinary institutions with enrolments in the order of a few thousands is a welcome move. This will help fix a fragmented higher education system and will go a long way in creating vibrant learning ecosystems, increasing resource efficiency and making our institutions globally competitive. Many forward-looking measures such as four-year undergraduate degrees, multiple entry and exit, banking of credits, flexibility to choose subjects across disciplines, phasing out of affiliated colleges are sure to bring in a big positive change in our universities and colleges. The Higher Education Commission of India (HECI) would be the single apex body and will provide greater autonomy to educational institutions.

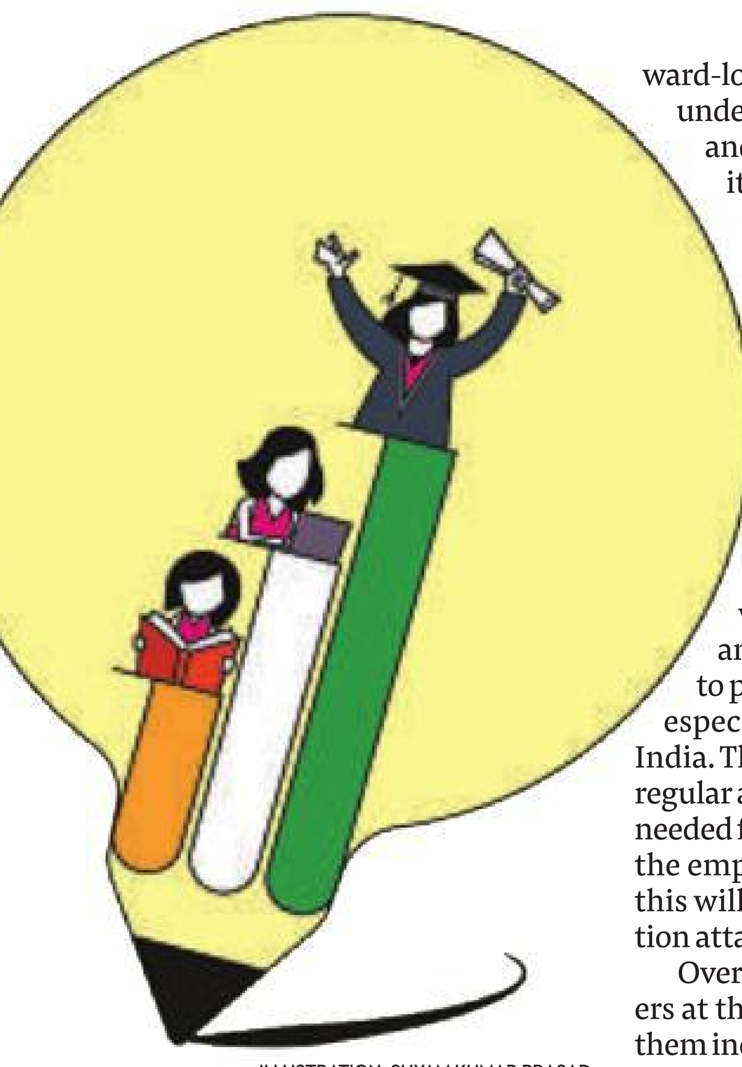


ILLUSTRATION: SHYAM KUMAR PRASAD

The formation of the National Testing Agency (NTA) will help in bringing uniformity and standard for aspiring students to prepare for university education—especially those who come from rural India. The recommendation to converge regular and vocational education is much needed from the perspective of increasing the employability of students. I am sure this will help in overcoming the perception attached with vocational education.

Overall, the NEP has rightly put learners at the centre of the policy by offering them increased flexibility. In my view, this will put India on track to attain Goal 4 (SDG4) of the 2030 agenda for sustainable development, by seeking to ensure inclusive and equitable, quality education and promoting lifelong learning opportunities for all in the next decade.

The author is partner & sector head, Education & Skill Development, KPMG in India

Risk-proofing education

Educational institutes are as exposed to risk as corporates

VIKRAM CHAUDHARY

DURING THE recent webinar *Risk-Proofing the Future of Education* organised by the Institute of Risk Management, India Affiliate, Hersh Shah, CEO, said educational institutions are as exposed to risk as companies. "They face risks such as reducing demand in courses, defaults in fee payment, reputation issues associated with faculty/students, safety and security, and non-compliance with regulations. Having robust risk processes in place to anticipate and deal with uncertainties is important for academic institutions," he said.

"We rarely hear of educational institutions incorporating risk-management processes into their framework. However, the Covid-19 pandemic has taught us that risk assessment, risk mitigation, risk management and risk control are necessary for the education sector, too," added Anil Sahasrabudhe, chairman, AICTE, who was a panellist.

Going forward, as corporates focus on customer experience, educational institutions should also do the same, where the student is a customer. "In the education sector, the customer and the consumer are different. The customer being the parent takes decisions on behalf of the consumer, the students," Shah said. "While the customer will look for ROI—what is the possibility of future growth with their chosen education trajectory—the consumer will look for experience. Keeping expectations of both these stakeholders aligned is important."

Shah added that the NEP 2020 has brought student experience to the forefront, as it provides a platform for parents and students to decide from myriad opportunities and career paths, thereby fostering multidisciplinary learning.

Sahasrabudhe said that the system of student feedback on courses, curriculum and teachers has to become a fixed part of the education sector's practices.

At a time when there is a growing relevance of credentials awarded by the industry, what is the value of supplementary, add-on degrees provided by universities? Shah said that the value of a degree will remain important because the education for which that degree was awarded will always remain valuable. "Building the right career path requires the creation of a strong foundation through learning, and just like industry credentials are an endorsement of one's career achievements, degrees serve as evidence of one's education and skills," he said.

Sahasrabudhe added that university degrees will continue to hold relevance because of the sheer number of job applicants vying for the same spot. "However, an increasing number of companies will give importance to skills and industry experience, and auxiliary or complementary training through non-formal training institutes will gain importance. Hence, traditional universities need to change their outlook and include skills training in their courses in order to stay relevant in today's competitive job market."

SHORT VIDEOS

Engaging with India's budding creative talent

Firework has started the #OpenChallenge campaign

VIKRAM CHAUDHARY

THE FIREWORK Creator challenge has gone live in India, with creator contracts worth Rs 5 crore and Rs 25 lakh in cash on offer. Christened the 'Open Challenge', the competition will see cyber chefs, fitness and travel junkies, fashionistas and entertainers put out 30-second videos on Firework to participate and claim their dominance in an otherwise cluttered space.

The Silicon Valley-based decentralised 30-second short-video platform, Firework launched this campaign to engage with India's vast creative talent pool and build creator careers. Firework is also launching occupationally-generated content creator's category focusing on professionals like chefs, artists, small and medium business owners, filmmakers, etc.

The format of #OpenChallenge is such that it uses Firework's 'interactive story banner' that converts a standard ad unit into a carousel of vertical videos, and a call-to-action banner allows brands to take the challenge to a wider audience.

The CEO of Firework India, Sunil Nair, said, "These videos will be available on our network platforms across the country to optimise creator growth potential."

Over the next few weeks, creators will submit entries to showcase their hashtag videos in food, fitness/beauty, travel/auto, fashion-related short videos. The campaign will have a Pride Challenge for the LGBTQ community. These videos will be evaluated based on creativity and popularity by the Firework jury and 25 winners will be selected, five from each category. Winners will be announced on August 27.

EDTECH

Bada Business eyes over 200% revenue growth

FE BUREAU

EDTECH MAJOR Bada Business is eyeing over 200% increase in revenue this year, with expansion plans including 75 new offices in tier-2 and tier-3 cities, 100 new courses and hiring 500 new people.

Set up in 2019, Bada Business offers digital business learning courses ranging from two months to two years, especially for those who are unable to access formal management education. It became popular since the lockdown started in March, and said that it expects to clock revenue of about Rs 200 crore this year, over last year's Rs 60 crore. It also plans to set up offices in Nepal and Bangladesh.

"We have major growth plans; over the next two quarters we aim to double the number of our branch offices to 150 from the current 75," said Vivek Bindra, founder & CEO, Bada Business.

It has about 1 lakh paid users, and is looking for a fund-raising round this year. "We do not have any outside investors so far, but will now look to raise funds to fund the next phase of growth," added Bindra.

Science & tech

TECHTALKS: PROF ASHUTOSH SHARMA, Secretary, DST, Government of India

Quantum plan will be ready in a few months; we aren't irreversibly behind others

A FORTNIGHT AGO, the US Department of Energy released its blueprint of a quantum internet; earlier this year one of its partnering Universities had set up a quantum loop to transfer protons. Close to Hague, Delft University researchers will be testing a similar project later this year. While India does not have any such groundbreaking research in the field, it is moving towards setting this up. The FM, in her speech, announced setting up of a National Quantum Technology Mission with an investment of ₹8,000 crore over five years. **Prof Ashutosh Sharma, secretary, department of science and technology,** in a conversation with ***Ishaan Gera***, discusses the developments in the field of quantum technology, and how the government is moving towards creating a holistic ecosystem. *Edited excerpts:*

PORTRAIT: SHYAM KUMAR PRASAD

The US just announced a quantum loop and released a policy document on quantum internet. What has been our progress on quantum technology?

Quantum technology is emerging and also very disruptive. Like all exponential technologies, it would expand rapidly. Department of Science and Technology had started an initiative on quantum technology in 2018. In this, we first did a mapping of researchers in the country. To see who is working on what aspects of quantum technology, what kind of infrastructure or potential we have. And, what kind of human resources are there and how they need to be trained. Being a new area, you need to build from scratch. And, as you know, there are many applications of quantum that have emerged, which is quantum computing, communication, security or quantum key distribution, clocks, sensors, imaging devices, quantum material or superconductivity. And, of course, Quantum algorithms, which are now getting integrated into the new quantum mission.

In 2018, there were nearly 100 research groups in areas and over 100 PhD students. We made a scheme for three years with ₹186 crore.

Progress has been in smaller-sized areas. Fifty groups have been identified. Meanwhile, bigger interest has developed. Departments like MeiTY, Isro and DRDO have started looking towards this area. Isro, for instance, is looking at satellites for quantum communication. We decided to upscale, and that is what the mention of ₹8,000 crore in the Budget was all about.

Where are we on the national quantum technology mission which was announced in the Budget?

Consultations have been going on. We have had half a dozen meetings till now. Detailed DPR is nearly drafted, and in another couple of weeks, we will have that ready. Lockdown has slowed down progress, but in another couple of months, we will get started. Now, this mission is interesting in many aspects. One is the content. However, the structure is extremely critical. We have an institute of quantum technologies, which sets up the mission and target. There will be some element of research to it, but its primary job will be coordinating the mission and targets, for example, setting targets like at least a 50-qubit quantum computer within five years. It will also guide the development of sub-systems and sub-technologies required. There will be a national committee chaired by a scientist, someone who knows the domain.

What will be the composition of this apex committee?

The apex committee will have one-third representation from all stakeholders. We are looking to involve the industry right from the beginning so that they will constitute one-third. Academia and R&D will have one-third share, and the ministry will have a third share to present their demands. We need to cover the entire knowledge ecosystem. We will be doing human resource generation from undergrad to PhD and post-doctoral programmes. We will also have technology transmission and incubation. So, there are enough incubators for start-ups. Funding from start-ups can also come from here. Two-way participation will be flexible. We will either employ the industry or give them money. This usually hasn't been happening as far as the government is concerned. So, we will be signing MoUs with the industry and international MoUs. As we want to attract the best talent, salaries would be as per industry standards.

The second tier is the hubs, which will function as mini ministries focused on a particular area. These are aggregators and custodians of all activities in that area. Below hubs are centres. Centres will be geographical entities, like IITs. Below centres, we have spikes. This is a hub-spoke-spikes model. These will be one group or two groups which are working on a specific technology. So, we will cover the entire knowledge ecosystem, instead of working in silos.

There is also flexibility in powers given to the mission. They don't have to come back to the ministry for funds. They will be able to invite people from abroad and send our researchers abroad. We should remain plugged into the global ecosystem. And, we cannot catch up if we don't have expertise.

Has this model been followed anywhere else?

A similar model was put in place for interdisciplinary cyber-physical systems, started last year at an investment of ₹3,660 crore. We have established 21 hubs, and we are looking at four research parks. Each hub has an incubator and an integrated process. Because of the coronavirus, we have slowed down, but the project is underway. Hubs are Section 8 companies with an autonomous board, and they are empowered to make all decisions. Apex committee is set up with a top-level vision, and they do not micromanage.

What other missions can go along with the government's quantum vision?

Supercomputing mission is now fully operational. We are currently assembling and partly producing supercomputers in India; earlier, we had a plan to import. We have set this up in three different phases. Chips we are importing, but board-level integration is done in India. Six supercomputers have been made, three have been installed, and three will be installed within a month; 12 more will come by next year. We will also pick up other things, design and everything will happen here. Another domain is the cyber-physical mission, which caters to technologies like artificial intelligence, machine learning, IoT, Blockchain, Industry 4.0 and VR/VR/MR. These intersections will provide a lot of muscle.

Any, private partnerships?

Supercomputing mission has a private partnership based on a global tender. We had given the contract to a French company, which has now set up its base in Pune.

Are there any plans to work on policy regulation?

We will also have a hub for policy regulation and ethics. We call it light and shadow of technology. In India, we are developing policy in consonance. Standards are also an important part. No matter what technology we develop, if we can't figure out standards, we cannot sell it within India or globally. Globally, standards are driven by companies and not by governments.

In Isro, it took decades to integrate private players. You are now changing that model. Will the government handhold private industry?

We are following a model of collaboration and cooperation. If something is high-risk, initially the government will do the funding. As we proceed further, the government will slowly exit and industry will put in more. So, we have a graded approach. We are integrating the industry from the first day. Industry, in our new model, has the same right to make use of resources.

Are we lagging behind other nations in terms of quantum mission?

We are just beginning. Often in these frontier technologies, the nation didn't invest the kind of resources that were needed. Semi-conductors and processors is one example. We have remedied that here. Our investment is comparable to what Europeans and Americans are doing. We are not going sub-critical. China, for instance, started a year or two ago. But we are not irreversibly behind.

What's the next step?

New science, technology and innovation policy is in the making. And, by the end of this year, we will have it ready. This policy considers some of the concerns regarding the industry. We need a science technology, and innovation policy and stakeholder consultation has been going on for the last three months.

ishaan.gera@expressindia.com

NEWS BRIEF

Rishihood meet on Atmanirbhar Bharat

Rishihood University, NCR, along with Rashtram School of Public Leadership, will host Atmanirbhar Bharat Summit, a virtual event, on August 12-13. It aims to shed light on what it means for India to achieve *atmanirbharta*. Recently, Suresh Prabhu joined Rishihood as the founding chancellor.

Lost-cost pricing options by UpGrad

UpGrad has announced pricing options that will allow working people to start a degree, diploma, certificate courses at instalments of ₹10,000/month and upwards.

Strathclyde grant for Indian students

University of Strathclyde Glasgow is offering the Dean's International Excellence Award-India to 10 students—a scholarship of £4,000 for entry onto a full-time PGP in humanities and social sciences. The deadline is September 18.

Brainly: 85.2% kids seek parents help

Parents and kids are helping each other during the lockdown, as per a survey by edtech major Brainly. The survey, *Parenting and Hybrid Learning During Covid-19*, noted that 87.5% of Brainly users help parents in daily chores, and 85.2% of Brainly users find their parents' involvement in learning helpful.

Will a top univ open a campus in India?

"The NEP paves way for top-100 universities to open campuses in India, but I doubt there will be any takers among the global top-100. Around 32 US institutions have campuses in China, but of these just one is ranked in the top-100," said Kalpesh Banker, managing partner of EduShine, a consultant.

EDII, SPPU to offer a new set of courses

Entrepreneurship Development Institute of India, Ahmedabad, and Savitribai Phule Pune University's Centre for Innovation, Incubation & Enterprise will design courses in entrepreneurship development and will offer joint certification.

KinderPass has new e-learning modules

KinderPass, an early-stage learning platform, is launching online learning modules for kids aged 3-6 years. Its first online learning programme, KinderRead, is a blended phonics course.

FE BUREAU

Covid situation in Delhi under control: CM

PRESS TRUST OF INDIA
New Delhi, August 9

CHIEF MINISTER ARVIND Kejriwal on Sunday said the Covid-19 situation in Delhi is under control and the recovery rate is improving.

Speaking at the inauguration of a hospital in Ambedkar Nagar, he said in case the situation takes a turn for the worse, the government is fully prepared to deal with it.

Delhi's COVID-19 case count stood at 1,44,127 as on Saturday, according to government data.

"The (COVID-19) situation is under control. All parameters are good, recovery rate is improving, positivity ratio and deaths have reduced," Kejriwal said. He said the inauguration of the hospital is a step towards strengthening the health infrastructure in the city."We have gradually increased the number of COVID-19 beds."

"The hospital was conceived in 2013. It is a 600-bed hospital. We are inaugurating the first 200 beds which will be used for the treatment of COVID-19 patients," Kejriwal said at the launch event. "I pray to God that these 200 beds are not needed in the future... we never get to a situation where we have to use these beds. But even if the situation becomes bad again, we are fully prepared to deal with it," he said. "This hospital was scheduled to begin operations after a few months, but it has been inaugurated today. I want to thank and congratulate engineers, doctors, and all the people for their efforts in making this 200-bed hospital available for the people of Delhi," he said.

DETAILED PUBLIC STATEMENT FOR THE ATTENTION OF THE EQUITY SHAREHOLDERS OF

AMAZE ENTERTECH LIMITED

Corporate Identification Number: L72100MH1989PLC255933

Registered Office: 156,1st Floor, Raghuleela Mega Mall, Poisar Gymkhana Road, Kandivali (West), Mumbai-400067, Maharashtra, India.

Tel. No. +91-8655075578; **Email:** amazeentertech@gmail.com; **Web:** www.amazeentertechlimited.com

In Compliance with Regulation 3(1) and 4 read with Regulation 13(4), 14 and 15(2) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

OPEN OFFER ("THE OFFER") FOR ACQUISITION OF UPTO 2,02,51,400 (TWO CRORE TWO LAKH FIFTY-ONE THOUSAND AND FOUR HUNDRED) EQUITY SHARES OF ₹10 EACH CONSTITUTING 26% OF DILUTED SHARE AND VOTING CAPITAL ("OPEN OFFER SHARES") OF THE AMAZE ENTERTECH LIMITED ("AEL"/"THE TARGET COMPANY") FROM THE SHAREHOLDERS IN CASH AT A PRICE OF ₹ 10 PER EQUITY SHARE ("OFFER PRICE") BY MR. JASPALSINGH PREHLADSINGH CHANDOCK ("ACQUIRER") ALONGWITH PERSONS ACTING IN CONCERT ("PAC"), NAMELY MR. TRIMAAN JASPALSINGH CHANDOCK ("PAC 1") AND MR. JAIKARAN JASPALSINGH CHANDOCK("PAC 2") (PAC 1 AND PAC 2 ARE JOINTLY REFERRED TO AS THE "PACS") PURSUANT TO AND IN COMPLIANCE WITH REGULATION 3(1) AND 4 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AS AMENDED ("THE SEBI (SAST) REGULATIONS").

This Detailed Public Statement ("**DPS**") is being issued by **Systematix Corporate Services Limited** ("**Manager to the Offer**") for and on behalf of the Acquirer and the PACs, in compliance with Regulation 13(4), 14 and 15(2) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto (hereinafter referred to as **"the SEBI (SAST) Regulations"**) pursuant to the Public Announcement dated August 03, 2020 ("**PA**") made in terms of Regulations 3(1) and 4 of the SEBI (SAST) Regulations e-filed on Monday, August 03, 2020 with BSE Limited, Mumbai ("**BSE**") and with the Target Company and also uploaded on the portal of the Securities and Exchange Board of India ("**SEBI**") on the same day.

DEFINITIONS

i. **"Business Succession Agreement" or "BSA"** means Business Succession Agreement dated August 03, 2020 entered between the Acquirer, who is the sole proprietor of M/s. Balu India and the Target Company, prescribing the details of succession of Balu India by the Target Company, wherein the Acquirer will receive Consideration (other than cash) by way of allotment of Equity Shares of the Target Company equivalent to the fair market value of Balu India.

ii. **"Diluted Share and Voting Capital"** means the total voting equity share capital of the Target Company on a fully diluted basis as of the tenth (10th) working day from the closure of the Tendering Period ("**TP**") of the Offer. The same has been calculated by adding proposed preferential allotment in the current outstanding Equity Shares of the Target Company. In the instant case, the Diluted Share and Voting Capital of the Company is ₹ 77,89,00,000 divided into 6,86,90,000 Equity Shares and 92,00,000 Convertible Warrants ("**Warrants**") and each Warrant is convertible into one Equity Share of the Target Company.

iii. **"Equity Shares"** means the fully paid up Equity Shares of the Target Company of face value of ₹10/- (Rupees Ten Only) each.

iv. **"Pre-Issue Share Capital"** means paid up Equity Share Capital of the Target Company prior to the proposed Preferential Issue i.e. ₹ 35,00,000 divided into 3,50,000 Equity Shares of ₹10/- each.

v. **"Public Shareholders"** means all the equity shareholders of the Target Company except the current Promoter & Promoter Group, the Acquirer and the PACs.

vi. **"Sellers"** means Mr. Shivputra G Bellad (Seller 1) and Mr. Prashant Shivputra Bellad (Seller 2) altogether.

vii. **"SPA"** means the Share Purchase Agreement dated August 03, 2020 whereby 86,050 (Eighty Six Thousand and fifty) Equity Shares agreed to be acquired by the PACs at a price of ₹10.00 (Rupees Ten only) per Equity Share from the current Promoters of the Target Company.

I. ACQUIRER/PACS, SELLER(S), TARGET COMPANY AND OFFER

A. INFORMATION ABOUT THE ACQUIRER AND THE PACS

1. Mr. Jaspalsingh Prehladsingh Chandock ("Acquirer")

1.1 Mr. Jaspalsingh Prehladsingh Chandock S/o Mr. Prehladsingh Harisingh Chandock is a 56 year old Resident Indian resides at Hari Niwas, Plot No. 554, 33rd Road, Behind Mcdonald's, Khar West, Mumbai 400052, Maharashtra, India. Tel. No. +91-22-26000095; Email: jaspal.singh@baluindustries.com.

1.2 Acquirer has not changed / altered his name at any point of time during his life.

1.3 Acquirer carries a valid passport of Republic of India and also holds a Permanent Account Number ("**PAN**") in India. Acquirer has done Bachelor of Arts and has been associated in the fields of Manufacturing and Hospitality for more than 34 years. Acquirer does not belong to any group.

1.4 Acquirer has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992 ("SEBI Act") and subsequent amendments thereto or under any other regulations made under the SEBI Act.

1.5 Acquirer holds directorship in the following companies and neither these companies have been prohibited by SEBI from dealing in securities in terms of Section 11B of the SEBI Act nor these companies are 'sick company' within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor are under winding up:

- Balu Hospitality Limited (U51900MH1994PLC076118)
- Goldiam Jewels Limited (U36910MH2004PLC148637)
- Balu Forge Private Limited (U74999MH2018PTC312847)

1.6 Acquirer does not hold any Equity Shares of the Target Company as on date of this DPS. However, Acquirer is going to acquire 4,78,40,000 Equity Shares and 66,00,000 Convertible Warrants in the Preferential Issue of the Target Company.

1.7 C.A. Shripad V. Karoshi (Membership No. 223393), Proprietor of Shripad V Karoshi and Co. (Firm Registration No. 0188045), having their office located at #3486, "Savitri", 1st Floor, Samadevi Galli, Belagavi-590001, Karnataka, India, Tel. No. 0831-4264422; Email: shripadkaroshi.ca@gmail.com, has certified vide certificate dated July 20, 2020 that the net worth of Acquirer as on July 18, 2020 is ₹246.54 Crore (Rupees Two Hundred Forty Six Crore and Fifty Four Lakh only).

1.8 Except the Transaction contemplated in Business Succession Agreement ("**BSA**") (detailed in para II Background to the Offer), subscription of convertible warrants and control of the target company that has triggered the Open Offer, Acquirer does not have any other relationship/interest in the Target Company.

1.9 Acquirer has not been categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI.

2. Mr. Trimaan Jaspalsingh Chandock ("PAC 1")

2.1 Mr. Trimaan Jaspalsingh Chandock S/o Mr. Jaspalsingh Prehladsingh Chandock is a 29 year old Resident Indian resides at Hari Niwas, Plot No. 554, 33rd Road, Behind Mcdonald's, Khar West, Mumbai 400052, Maharashtra, India. Tel. No. +91-22-26000095; Email: trimaan@baluindustries.com.

2.2 PAC 1 has not changed / altered his name at any point of time during his life.

2.3 PAC 1 carries a valid passport of Republic of India and also holds a PAN in India. PAC 1 has done Master's Degree in Commerce and has been associated in the fields of Manufacturing and Hospitality for more than 14 years. PAC 1 does not belong to any group.

2.4 PAC 1 has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act and subsequent amendments thereto or under any other regulations made under the SEBI Act.

2.5 PAC 1 holds directorship in the following companies and neither these companies have been prohibited by SEBI from dealing in securities in terms of Section 11B of the SEBI Act nor these companies are 'sick company' within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor are under winding up:

- Balu Hospitality Limited (U51900MH1994PLC076118)
- Goldiam Jewels Limited (U36910MH2004PLC148637)
- Balu Forge Private Limited (U74999MH2018PTC312847)
- Naya Energy Power Technology Private Limited (U74999MH2018PTC316641)

2.6 PAC 1 does not hold any Equity Shares of the Target Company as on date of this DPS. However, PAC 1 is going to acquire 75,900 Equity Shares pursuant to SPA.

2.7 Except the Transaction contemplated in Share Purchase Agreement ("**SPA**") (detailed in Para II Background to the offer) that has also triggered the Open Offer, PAC 1 does not have any other relationship/interest in the Target Company.

2.8 PAC 1 has not been categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI.

3. Mr. Jaikaran Jaspalsingh Chandock ("PAC 2")

3.1 Mr. Jaikaran Jaspalsingh Chandock S/o Mr. Jaspalsingh Prehladsingh Chandock is a 28 year old Resident Indian resides at Hari Niwas, Plot No. 554, 33rd Road, Behind Mcdonald's, Khar West, Mumbai 400052, Maharashtra, India. Tel. No. +91-22-26000095; Email: jaikaran@baluindustries.com.

3.2 PAC 2 has not changed / altered his name at any point of time during his life.

3.3 PAC 2 carries a valid passport of Republic of India and also holds a PAN in India. PAC 2 has a degree in Masters of Science in Strategic Marketing and has been associated in the field of Manufacturing and Hospitality for the past 7 years. PAC 2 does not belong to any group.

3.4 PAC 2 has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act and subsequent amendments thereto or under any other regulations made under the SEBI Act.

3.5 PAC 2 holds directorship in the following companies and neither these companies have been prohibited by SEBI from dealing in securities in terms of Section 11B of the SEBI Act nor these companies are 'sick company' within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor are under winding up:

- Balu Hospitality Limited (U51900MH1994PLC076118)
- Balu Forge Private Limited (U74999MH2018PTC312847)
- Naya Energy Power Technology Private Limited (U74999MH2018PTC316641)

3.6 PAC 2 does not hold any Equity Shares of the Target Company as on date of this DPS. However, PAC 2 is going to acquire 10,150 Equity Shares pursuant to SPA.

3.7 Except the Transaction contemplated in SPA (detailed in Para II Background to the offer) that has also triggered the Open Offer, PAC 2 does not have any other relationship/interest in the Target Company.

3.8 PAC 2 has not been categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI.

4. UNDERTAKINGS / CONFIRMATION BY THE ACQUIRER AND THE PACS

4.1 Neither the Acquirer nor PACs nor any of the entities they are associated with, are in securities related business and registered with SEBI as a 'Market Intermediary'.

4.2 Based on the information available, the Acquirer and the PACs have not been declared as a fugitive economic offender under section 12 of Fugitive Economic Offenders Act, 2018 (17 of 2018) as per Regulation 2(1) (ja) of SEBI (SAST) Regulations.

4.3 The Acquirer and the PACs undertake that if they acquire any Equity Shares of the Target Company during the Offer Period, they will inform to the Stock Exchanges and the Target Company within 24 hours of such acquisitions and they will not acquire any Equity Shares of the Target Company during the period between three working days prior to the commencement of the Tendering Period ("**TP**") and until the closure of the TP in accordance with Regulation 18(6) of SEBI (SAST) Regulations.

4.4 All Open Offer Shares that are validly tendered and accepted in the Offer shall be solely subscribed by the Acquirer.

B. INFORMATION ABOUT THE SELLERS

1. The details of the Sellers are set out below:

Sr No.	Name of the Seller	Residential Address	Nature of Entity	No of Shares held in AEL	% of Diluted Share and Voting Capital
1	Mr. Shivputra G Bellad ("**Seller 1**")	Gouri Krupa, Near Dr. Ambedkar Hostel, Maratha Colony Road, Dharwad-580008, Karnataka	Individual	75,900	0.10%
2	Mr. Prashant Shivputra Bellad (**"Seller 2"**)	Gouri Krupa, Near Dr. Ambedkar Hostel, Maratha Colony Road, Dharwad-580008, Karnataka	Individual	10,150	0.01%
			Total	**86,050**	**0.11%**

2. Sellers are Promoters/Promoter Group of the Target Company and they do not belong to any other Group.
3. In terms of the SPA, Seller 1 has agreed to sell his entire shareholding to PAC 1 and Seller 2 has agreed to sell his entire shareholding to PAC 2.
4. Sellers have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act and subsequent amendments thereto or under any other regulations made under the SEBI Act.

C. INFORMATION ABOUT THE TARGET COMPANY

1. Amaze Entertech Limited was originally incorporated as "Bell Agro Machina Private Limited" as a private limited Company under the Companies Act, 1956 vide Certificate of Incorporation dated March 17, 1989 issued by Registrar of Companies, Karnataka, Bangalore. Subsequently, name of the Company was changed to "Bell Agro Machina Limited" vide fresh certificate of incorporation dated May 18, 1994 issued by Registrar of Companies, Karnataka, Bangalore. Later, name of the Company was changed to "Amaze Entertech Limited" vide fresh certificate of incorporation dated February 12, 2017 issued by Registrar of Companies, Mumbai, Maharashtra. The Corporate Identification Number of the Target Company is L72100MH1989PLC255933.
2. Presently, the Registered Office of the Target Company is situated at 156, 1st Floor, Raghuleela Mega Mall, Poisar Gymkhana Road, Kandivali (West) Mumbai – 400067, Maharashtra, India. Tel. No. +91-8655075578; Email: amazeentertech@gmail.com, Web: www.amazeentertechlimited.com.
3. The Target Company is mainly involved in the business of buying, selling or dealing in online applications, software for entertainment for all age groups and to carry on the business of Information Technology (IT) Software Development, IT Projects, Data Base Administration in India and abroad and to carry on all types of entertainments including business of providing, editing, mixing and as also the equipments and software related thereto for the business of production house and such other incidental/auxiliary activities as may be necessary in connection with making of TV serials, web films, telefilms, movies and organizing & management of events, online promotion of events, marketing and sales by using latest technologies and such other ancillary and incidental work to attainment of the above objects or such other businesses.
4. The total Issued, Subscribed and Paid-up Equity Share Capital of the Target Company as on date of this DPS is ₹ 35,00,000 (Rupees Thirty Five Lakhs Only) comprising of 3,50,000 Equity Shares of ₹ 10/- each fully paid up. There are no partly paid-up shares in the Target Company.
5. The Equity Shares **(ISIN: INE011E01029)** of the Target Company is presently listed and traded on the BSE Limited, Mumbai ("**BSE**"). **(Scrip Code as 531112 and Symbol as AMAZEENT)**
6. Based on the information available, the Equity Shares of the Target Company are infrequently traded on BSE in terms of the SEBI (SAST) Regulations.
7. The Target Company's Equity Shares were suspended from trading by BSE due to non-compliance with the erstwhile Listing Agreement. However, BSE vide its notice no. 20130712-14 dated July 12, 2013 had revoked the suspension in trading of Equity Shares of Target Company w.e.f. July 18, 2013.
8. As of the date of this DPS, there are outstanding convertible warrants that are proposed to be issued by the Target Company in the preferential allotment and that shall be converted into Equity Shares on later date.
9. The Financial Information of the AEL based on the latest audited financial statements which has been audited by the Target Company's Statutory Auditors, Koshal & Associates, Chartered Accounts, for the year ended March 31, 2020, March 31, 2019 and March 31, 2018 are as follows:

(₹ in Lakh except EPS)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2018
	Audited	Audited	Audited
Total Revenue	21.13	18.32	19.97
Net Income	4.05	18.99	6.81
EPS	1.16	5.42	1.95
Networth/Shareholders Fund	34.76	30.45	11.49

Source: Target Company

D. DETAILS OF THE OFFER

1. This Offer is being made under Regulations 3(1) and 4 of the SEBI (SAST) Regulations to all the Shareholders of the Target Company.
2. This Offer is being made by the Acquirer and the PACs to acquire up to 2,02,51,400 (Two Crore Two Lakh Fifty-One Thousand and Four Hundred) Equity Shares ("Open Offer Shares") of the face value of ₹10/- each representing 26% of the fully Diluted Share and Voting Capital of the Target Company at the "**Offer Price**" of ₹10 (Rupees Ten only) per Equity Share payable in "Cash" and subject to the terms and conditions set out in the DPS and the Letter of Offer ("**LOF**").
3. The Offer is being made to all the Shareholders of the Target Company except the current Promoter & Promoter Group, Acquirer and the PACs and persons deemed to be acting in concert with the parties to the agreements. The Equity Shares of the Target Company under the Offer will be acquired by the Acquirer as fully paid-up, free from any lien, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.
4. The Offer is neither conditional upon any minimum level of acceptance in terms of Regulation 19(1) of the SEBI (SAST) Regulations nor it is a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations. Also, there is no differential pricing in this Offer as all the Equity Shares of the Target Company are fully paid-up.
5. As on the date of this DPS, to the best of the knowledge of the Acquirer and the PACs, except as mentioned in paragraph VI of this DPS, there are no statutory approvals required by the Acquirer and the PACs to complete this Offer. However, in case of any further statutory approvals being required by the Acquirer and the PACs at a later date before the closure of the Tendering Period, this Offer shall be subject to such statutory approvals and the Acquirer and the PACs shall make the necessary applications for such statutory approvals. In the event that such statutory approvals are refused for any reason outside the reasonable control of the Acquirer and the PACs, they shall have the right to withdraw this Offer in terms of Regulation 23 of the SEBI (SAST) Regulations. In the event of withdrawal of this Offer, a public announcement will be made within 2 (two) working days of such withdrawal, in the same newspapers in which this DPS has been published and such public announcement will also be sent to BSE, SEBI and the Target Company at its registered office.
6. The Offer (assuming full acceptance to the Offer Size) will result in the minimum public shareholding ("**MPS**") to fall below 25% of Diluted Share and Voting Capital of the Target Company in terms of Regulation 38 of the Listing Regulations read with Rule 19A(1) of the Securities Contracts (Regulations) Rules, 1957 ("**SCRR**"). If the MPS falls below 25% of the Diluted Share and Voting Capital, the Acquirer and the PACs will comply with the provisions of Regulation 7(4) of the SEBI (SAST) Regulations to maintain the MPS in accordance with the SCRR and the applicable laws.
7. To the extent required and to optimize the value of all the Shareholders, the Acquirer and the PACs may subject to applicable Shareholders' consent, enter into any compromise or arrangement, reconstruction, restructuring, merger, amalgamation, rationalizing and/or streamlining of various operations, assets, liabilities, investments, businesses or otherwise of the Target Company. Notwithstanding, the Board of Directors of the Target Company will take appropriate decisions in these matters in line with the requirements of the business and opportunities from time to time. The Acquirer and the PACs intend to seek a reconstitution of the Board of Directors of the Target Company after successful completion of the Offer. However, no firm decision has been made in this regard by the Acquirer and the PACs.
8. In terms of Regulation 25(2) of the SEBI (SAST) Regulations, the Acquirer and the PACs do not currently have any intention to alienate, restructure, dispose of or otherwise encumber any assets of Target Company in the succeeding two years from the completion of this Offer, except in the ordinary course of business and other than as already agreed, disclosed and / or publicly announced by Target Company. Notwithstanding anything contained herein and except with the prior approval of the Shareholders of Target Company through a special resolution, passed by way of postal ballot, the Acquirer and the PACs undertake that they will not restructure, sell, lease, dispose of or otherwise encumber any substantial assets of Target Company other than in the ordinary course of business and other than as already agreed, disclosed and / or publicly announced by Target Company.

II. BACKGROUND TO THE OFFER

1. This Offer is a "Mandatory Offer" under the Regulation 3(1) and 4 of the Takeover Regulations being made jointly by the Acquirer and the PACs to the equity shareholders of the Target Company for substantial acquisition of Equity Shares and Voting Rights accompanied with change in control of the Target Company.
2. The Acquirer in the capacity of Proprietor of M/s. Balu India, has entered into a Business Succession Agreement dated August 03, 2020, with the Target Company wherein it is agreed that the Acquirer will receive Consideration (other than cash) by way of preferential allotment of Equity Shares of the Target Company against the fair market valuation of M/s. Balu India.

   The Board of Directors of the Target Company in the meeting held on Monday, August 03, 2020, has subject to the approval of the Shareholders of the Target Company and other regulatory approvals, as applicable, agreed to issue and allot, on a preferential basis 4,78,40,000 Equity Shares in lieu of the consideration as mentioned in the BSA and 66,00,000 Warrants for Cash representing 69.89% of the Diluted Share and Voting Capital of the Target Company on preferential basis to the Acquirer. The Purchase Consideration of ₹ 47,84,00,000 for Balu India in accordance with the BSA is based on the valuation report dated August 03, 2020 submitted by the Valuer i.e. FCA Payal Gada of M/s Payal Gada & Co., Chartered Accountants having office at S-15, Second Floor, Sej Plaza, Marve Road, Malad (West), Mumbai 400 064; Email –payal@payalgadaco.in; Tel. No. +91-22-2801 2075 ("**Independent Valuer**").
3. Simultaneously, the PACs have entered into a SPA with the Sellers to acquire 86,050 Equity Shares or the SPA Shares at a price of Rs. 10 each in compliance with the provisions of the SEBI (SAST) Regulations.
4. **Summary of the BSA is as under:**

   4.1 The BSA is signed between Balu India ("**Vendor**") and Amaze Entertech Limited ("**Successor**") where by the Vendor shall be succeeded by the Successor on a going concern basis by means of a "succession / transfer / assign" (as defined in section 47(xiv) of the Income Tax Act, 1961), for a consideration and subject to the terms, conditions and provisions set forth hereinafter on and from the Completion Date, however such sale and purchase being effective as of the Effective Date.

   4.2 In consideration for succession of the Business, the Successor has agreed to issue on preferential allotment basis and the Vendor has agreed to subscribe to, 4,78,40,000 Equity Shares of the Successor representing 61.42% of the post issue total issued and paid up share capital of the Successor (the Vendor Subscription Shares) in accordance with the terms and conditions set out in the Agreement.

   4.3 The Parties acknowledge that prior to acquisition of the Shares, the Vendor is required to make a public announcement to the public shareholders of the Successor to acquire up to 26% of the total issued and paid up share capital of the Successor in accordance with the provisions of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011.

   4.4 All assets acquired and all liabilities incurred by the Vendor after the 1st April, 2020 but prior to the Effective Date for operation of and in relation to the business shall also without any further act, instrument or deed stand transferred to and vested in or to be deemed to have been transferred to or vested in the Successor upon the coming into effect of the Agreement, subject to the provisions of this Agreement in relation to Encumbrances in favour of lenders, banks and/or financial institutions .

   4.5 With effect from the Effective Date and including the Completion Date, all economic benefits including the profit and loss arising or accruing or relating to the Business shall, for all purposes, be treated as the profits/ losses of the Successor.

   4.6 The Business Succession Agreement though executed on 3rd August 2020 but is operative from 1st April, 2020. All Assets and Liabilities of the Vendor shall, without any further act or deed, shall become the assets and liabilities of the Successor from the Completion Date.

   4.7 The Purchase Consideration of ₹ 47,84,00,000/- (Indian Rupees Forty Seven Crore Eighty Four Lakhs Only) has been agreed between the Parties based on a valuation report dated 3rd August, 2020 of an independent valuer i.e. M/s. Payal Gada & Co. Chartered Accountants, Mumbai.

   4.8 The name of the Successor will be changed in consultation with the Vendor and new name may be Balu Forge Limited or any other name as may be mutually discussed and decided between Vendor and Successor subject to the name available for adoption by registrar of Companies and approval of Stock Exchange as it will be required.

   4.9 The object clause of Memorandum of association of the successor will be amended / altered in order to carry on the business of the Vendor and same is subject to approval of shareholders and Registrar of Companies.
5. **Summary of the SPA is as under:**

   5.1 The SPA sets forth the terms and conditions agreed between the Sellers, the PACs, and their respective rights and obligations.

   5.2 The PACs shall acquire 86,050 Equity Shares of ₹ 10 each of the Company, representing 24.59% of Pre-Issue Share Capital and 0.11% of the Diluted Share and Voting Capital of the Target Company.

   5.3 The Purchase Consideration for the Sale Shares shall be at the rate of ₹ 10 (Rupees Ten only) per share. The PACs shall pay the Purchase Consideration relatable to the Sale Shares acquired by such PACs

   5.4 Pursuant to SPA, PAC 1 shall acquire 75,900 Equity Shares and PAC 2 shall acquire 10,150 Equity Shares from Mr. Shivputra G Bellad and Mr. Prashant Shivputra Bellad respectively.

   5.5 The SPA shares are lying in the respective Demat Accounts of the Sellers and free from any lock-in and encumbrances.
6. The Acquirer and the PACs shall achieve substantial acquisition of Equity Shares and voting capital, accompanied with effective management control over the Target Company after completion of the proposed Open Offer. The main object of this acquisition is to acquire substantial stake and management control of the Target Company in compliance with the SEBI (SAST) Regulations.
7. The Equity Shares and Convertible Warrants proposed to be issued under the Proposed Preferential Issue, if allotted to the Acquirer, during the Offer Period, shall be kept in a separate 'DP Escrow Account' in compliance with Regulation 22(2A) of the SEBI (SAST) Regulations. The Registrar to the Offer will have the right to operate the DP Escrow Account and the Acquirer will not exercise any voting rights over the said Equity Shares kept in the DP Escrow Account. Upon fulfillment of all the Offer related formalities, the said Equity Shares and Convertible Warrants will be transferred to the respective DP accounts of the Acquirer and the DP Escrow Account will be closed thereafter.
8. The Acquirer and the PACs intend to seek the change of the name and main objects of the Target Company subject to necessary approvals.
9. The Acquirer and the PACs intend to seek reconstitution of Board of Directors of the Target Company after successful completion of this Offer. However, no firm decision in this regard has been taken or proposed so far.
10. The Acquirer will discontinue the existing line of business of the Target Company if members' approval is obtained and/ or may diversify business activities in future subject to prior approval/consent of the shareholders and subject to approval of the requisite statutory authorities. However, depending on the requirements and expediency of the business situation and subject to the provisions of the Companies Act, 2013, Memorandum and Articles of Association of the Target Company and all applicable laws, rules and regulations, the Board of Directors of the Target Company will take appropriate business decisions from time to time in order to improve the performance of the Target Company. The Acquirer and the PACs cannot ascertain the repercussions, if any, on the employees and locations of the business place of Target Company.

III. SHAREHOLDING AND ACQUISITION DETAILS

The current and proposed shareholding of the Acquirer and the PACs in the Target Company and the details of the acquisition are as follows:

Details	the Acquirer		the PACs		Total	
Particulars	No. of Equity Shares & Warrants	% of Equity Share & Voting Capital	No. of Equity Shares & Warrants	% of Equity Share & Voting Capital	No. of Equity Shares & Warrants	% of Equity Share & Voting Capital
Shareholding as on the PA date	Nil	Nil	Nil	Nil	Nil	Nil
Shares acquired between the Public Announcement date and the DPS date	Nil	Nil	Nil	Nil	Nil	Nil
Shareholding as on the DPS date	Nil	Nil	Nil	Nil	Nil	Nil
Shareholding after completion of acquisitions under the SPA (based on Diluted Share and Voting Capital)	Nil	Nil	86,050	0.11	86,050	0.11
Shares & Warrants agreed to be acquired in Pref. Issue for Cash	5,44,40,000	69.89	Nil	Nil	5,44,40,000	69.89
Shares to be acquired in the Offer [assuming full acceptance]	2,02,51,400	26.00	Nil	Nil	2,02,51,400	26.00
Post Offer shareholding [assuming full acceptance] (On diluted basis, as on 10th working day after closing of Tendering Period)	7,46,91,400	95.89	86,050	0.11	7,47,77,450	96.00

IV. OFFER PRICE

1. The Equity are of the Target Company are currently listed and traded on BSE.
2. The annualized trading turnover of the Equity Shares traded during the twelve calendar months preceding August 2020, the month in which PA was made, is as given below:

Name of the Stock Exchange	Total number of Equity Shares traded during twelve calendar months preceding to August 2020	Total Number of Listed Equity Shares on Stock Exchange	Trading Turnover (in terms of % to Total Listed Equity Shares)
BSE	7,856	3,50,000	2.24%

***Source: www.bseindia.com**

3. Based on above, the equity shares of the Target Company are infrequently traded on BSE within the meaning of Regulation 2(1)(j) of the SEBI (SAST) Regulations.
4. The Offer Price of ₹10/- (Rupees Ten only) per Equity Share is justified in terms of Regulation 8(1) and 8(2) of the SEBI (SAST) Regulations as it is higher of the following:

Sr. No.	Particulars	Price Per Equity Share
(a)	Highest Negotiated Price per equity share for any acquisition under the Agreements attracting the obligation to make the PA	₹ 10
(b)	The volume-weighted average price paid or payable for acquisition during the 52 week immediately preceding the date of the PA	Not Applicable
(c)	The highest price paid or payable for any acquisition during 26 weeks period immediately preceding the date of PA	Not Applicable
(d)	The volume-weighted average market price for a period of 60 trading days immediately preceding the date of PA on BSE	Not Applicable
(e)	The price determined by taking into account valuation parameters including, book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies	₹ 10*

**An extract of the report by CA Payal Gada (Membership No. 110424) proprietor M/s Suresh Shah & Co. (Firm Regn. No. 108902W) having office at S-15, Sej Plaza, Marve Road, Malad (W), Mumbai 400 064, Maharashtra dated August 03, 2020 is reproduced below :*

Particulars	Value in Rs./ Equity Share	Weight	Total
Asset Approach: Net Worth Method	9.93	98.00%	9.73
Market Approach: Market Value Method	0	0.00%	0.00
Income Approach: Comparable Companies' Multiple Method	8.40	2.00%	0.17
Total		100%	9.90
Fair Market Value per Equity Share (in Rs.) (Rounded Off)			**10.00**

5. The Offer Price of ₹ 10/- (Rupees Ten Only) per equity share is justified in terms of Regulations 8(2) of SEBI (SAST) Regulations. The Offer Price is denominated and payable in Indian Rupees only.
6. There have been no corporate actions by the Target Company warranting adjustment of any of the relevant price parameters under Regulation 8(9) of the SEBI (SAST) Regulations.
7. As on date of this DPS, there is no revision in the Offer Price or Offer Size. In case of any revision in the Offer Price or Offer Size, the Acquirer will comply with all the provisions of the Regulation 18(5) of the SEBI (SAST) Regulations which are required to be fulfilled for the said revision in the Offer Price or Offer Size.
8. In case the Acquirer and the PACs acquires Equity Shares of the Target Company during the period of twenty-six weeks after the closure of TP at a price higher than the Offer Price, then the Acquirer shall pay the difference between the highest acquisition price and the Offer Price, to all shareholders whose Equity Shares have been accepted in this Offer within sixty days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the SEBI (SAST) Regulations, or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009 or open market purchases made in the ordinary course on the stock exchanges, not being negotiated acquisition of Equity Shares of the Target Company in any form.
9. An Upward revision to the Offer Price or to the Offer Size, if any, on account of future purchases / competing offers, it will be done one working day prior to the date of commencement of the TP in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirer and PACs shall (i) make further deposit into the Escrow Account; (ii) make a Public Announcement in the same newspapers in which this DPS has been published; and (iii) simultaneously with the issue of such Public Announcement, inform BSE, SEBI and the Target Company of such revision.

V. FINANCIAL ARRANGEMENTS

1. Assuming full acceptance of this Offer, the total fund requirement for the Offer is ₹20,25,14,000 (Rupees Twenty Crore Twenty-Five Lakh Fourteen Thousand only). ("**Offer Consideration**")
2. In accordance with Regulation 17of the SEBI (SAST) Regulations, the Acquirer, the Manager to the Offer and Union Bank of India (the "**Escrow Agent**") have entered into an escrow agreement dated August 03, 2020 (the "**Escrow Agreement**"). Pursuant to the Escrow Agreement, the Acquirer has established an escrow account under the name and title of "**AMAZE ENTERTECH LIMITED OPEN OFFER CASH ESCROW ACCOUNT**" bearing account number 318801010338084 with the Escrow Agent.
3. The Acquirer have transferred a sum equivalent to ₹5,10,00,000 (Rupees Five Crore and Ten Lakh only) to the Cash Escrow Account on August 05, 2020 in accordance with the Regulation 17(3)(a) of the SEBI (SAST) Regulations being more than 25% of the Offer Consideration payable under this Offer.
4. A lien has been marked on the said Cash Escrow Account in favour of the Manager to the Offer by the Escrow Bank. The Manager to the Offer has been solely authorised by the Acquirer to operate and realise the value of Cash Escrow Account in terms of the Regulation 17(5) of the SEBI (SAST) Regulations.
5. The Acquirer has adequate financial resources and has made firm financial arrangements for the implementation of the Offer in full out of their networth. C.A. Shripad V. Karoshi (Membership No. 223393), Proprietor of Shripad V Karoshi and Co. (Firm Registration No. 0188045), having their office located at #3486, "Savitri", 1st Floor, Samadevi Galli, Belagavi-590001, Karnataka, India, Tel. No. 0831-4264422; Email: shripadkaroshi.ca@gmail.com, has certified that the Acquirer has sufficient liquid networth to meet the total financial obligations under the Offer vide certificate dated August 01, 2020 .
6. Based on the networth of the Acquirer, the Manager to the Offer is satisfied about the ability of the Acquirer to implement the Offer in accordance with the SEBI (SAST) Regulations. The Manager to the Offer is satisfied that the firm arrangement for the funds and money for payment through verifiable means are in place to fulfil the obligations of the Acquirer under the Offer.

VI. STATUTORY AND OTHER APPROVALS

1. As of the date of this DPS, to the best of the knowledge of the Acquirer and the PACs, there are no statutory approvals required by the Acquirer and the PACs to complete this Offer. However, in case of any statutory approvals being required by the Acquirer and the PACs at a later date before the closure of the Tendering Period, this Offer shall be subject to such approvals and the Acquirer and the PACs shall make the necessary applications for such approvals. In the event the statutory approvals (the grant or satisfaction of which are considered to be outside the reasonable control of the Acquirer and the PACs) are not granted or satisfied, the Acquirer shall have the right to withdraw this Offer in terms of Regulation 23 of the SEBI (SAST) Regulations.
2. If the holders of the Equity Shares of the Target Company who are not persons resident in India (including NRIs, OCBs and FIIs) had required any approvals (including from the RBI, the FIPB or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them in this Offer, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer and the PACs reserves the right to reject such Equity Shares tendered in this Offer.
3. If any of the statutory approvals, are not met for reasons outside the reasonable control of the Acquirers, or in the event the statutory approvals are refused, the Acquirer and the PACs, in terms of Regulation 23 of SEBI (SAST) Regulations, shall have a right to withdraw this Offer. In the event of withdrawal, a public announcement will be made within 2 working days of such withdrawal, in the same newspapers in which this DPS is published and such announcement will also be sent to SEBI, BSE and the Target Company.
4. The Offer cannot be withdrawn by the Acquirer except the conditions as stipulated at Regulation 23(1) of the SEBI (SAST) Regulations.
5. In case of delay / non-receipt of any statutory approval in terms of regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied that delay/ non receipt of the requisite statutory approvals was not attributable to any willful default, failure or neglect on the part of the Acquirer and the PACs to diligently pursue such approvals, grant extension of time for the purpose of completion of this Offer, subject to the Acquirer and the PACs agreeing to pay interest to the equity shareholders, who have accepted the open offer, for the delay as may be specified by SEBI.

Continued page 2 ...

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Honours Your Trust
(A Govt. of India Undertaking)

Head Office – II, Department of Information Technology
3 & 4, DD Block, Sector – 1, Salt Lake, Kolkata-700064

NOTICE INVITING TENDER

UCO Bank invites Request for Proposal (RFP) for the following:

1. Request for Proposal (RFP) for Supply, Installation and Maintenance of 300 ATMs on CAPEX model.
2. Request for Proposal (RFP) for Selection of Service Provider for Procurement of MPLS Network Connectivity for End User Training on Finacle 10.X
3. Request for Proposal (RFP) for Supply of 30 Nos. of Apple iPad.

For any details, please refer to https://www.ucobank.com

Date: 10.08.2020 Deputy General Manager (DIT, BPR & BTD)

WABCO INDIA LIMITED

Registered Office: Plot No. 3 (SP), III Main Road, Ambattur Industrial Estate, Chennai, Tamil Nadu – 600058, India;
Tel: +91 44 3090 2600/ 4224 2000; **Fax:** +91 44 3090 2609/4224 2009; **Email:** info.india@wabco-auto.com;
Website: www.wabcoindia.com; **CIN:** L34103TN2004PLC054667

Recommendations of the Committee of Independent Directors ("IDC") of WABCO India Limited ("Target Company") on the Open Offer (hereinafter defined) made by ZF Friedrichshafen AG ("Acquirer") together with WABCO Asia Private Limited, LucasVarity, and ZF International UK Limited, in their capacity as persons acting in concert with the Acquirer, to the Public shareholders of the Target Company, under Regulation 26(7) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ("SEBI (SAST) Regulations").

1.	Date	August 7, 2020
2.	Name of the Target Company (TC)	WABCO India Limited
3.	Details of the Open Offer pertaining to the TC	Open offer for the acquisition of up to 4,741,900 (four million seven hundred and forty one thousand nine hundred only) fully paid up equity shares having a face value of INR 5 (Indian Rupees five) each (**"Equity Share"**) at a price of INR 7,067.51 per Equity Share (**"Offer Price"**), representing 25% of the total voting equity share capital of the Target Company (**"Open Offer"**). The Public Announcement dated April 2, 2019 (**"PA"**), the Detailed Public Statement published on June 3, 2020 (**"DPS"**), Draft Letter of Offer dated June 10, 2020 (**"DLoF"**), Letter of Offer dated August 6, 2020 (**"LoF"**) and corrigendum to the DPS published on August 6, 2020 (**"Corrigendum"**) have been issued by J.P. Morgan India Private Limited on behalf of the Acquirer and the PACs.
4.	Name(s) of the Acquirers and PACs	**Acquirer:** ZF Friedrichshafen AG with the Acquirers**PACs:** a. WABCO Asia Private Limited (**"PAC 1"**) b. LucasVarity (**"PAC 2"**) c. ZF International UK Limited (**"PAC 3"**) (PAC 1, PAC 2 and PAC 3, are collectively referred to as **"PACs"**)
5.	Name of the Manager to the Open Offer	**J.P. Morgan India Private Limited** J.P. Morgan Tower, Off C.S.T. Road, Kalina, Santacruz (East), Mumbai - 400 098. **Tel:** +91 22 6157 3000; **Fax:** +91 22 6157 3911 **E-mail:** wabco_openoffer@jpmorgan.com; **Website:** www.jpmipl.com **Contact Person:** Nilay Bang **SEBI Registration Number:** INM000002970
6.	Member of the Committee of Independent Directors *(Please indicate the chairperson of the Committee separately)*	a. Mr. Mahesh Chhabria (Chairman) b. Mr. M Lakshminarayan (Member) c. Dr. Lakshmi Venu (Member)
7.	IDC Member's relationship with the TC (Director, equity shares owned, any other contract/ relationship), if any	The members of the IDC are Independent Directors on the board of directors of the Target Company. Except as mentioned below, none of the members of the IDC have entered into any contract or have any relationship with the Target Company: a. Mr. M Lakshminarayan holds 50 equity shares of the Target Company and his wife holds 50 equity shares of the Target Company; b. Mr. M Lakshminarayan is the chairman of the Target Company, chairman of the Target Company's stakeholder relationship committee and a member of the Target Company's audit committee, nomination & remuneration committee and corporate social responsibility committee. c. Mr. Mahesh Chhabria holds 275 equity shares of the Target Company and his immediate relatives and two Hindu Undivided Families wherein he is a coparcener collectively hold 1,200 equity shares of the Target Company. d. Mr. Mahesh Chhabria is the chairman of the Target Company's audit committee. e. Dr. Lakshmi Venu does not hold any equity shares of the Target Company. Her immediate relatives collectively hold 1,233 equity shares of the Target Company; f. Dr. Lakshmi Venu is the chairperson of the Target Company's nomination & remuneration committee and is a member of the Target Company's corporate social responsibility committee and the audit committee
8.	Trading in the equity shares/ other securities of the TC by IDC Members	None of the members of the IDC have traded in any of the Equity Shares/ securities of the Target Company during the period of 12 months prior to the Public Announcement dated April 2, 2019 and till the date of this recommendation.
9.	IDC Member's relationship with the Acquirer and PACs (Director, equity shares owned, any other contract/ relationship), if any.	Mr. M Lakshminarayan provides advisory services to the Acquirer and its group on aspects relating to developing their business activities in India. Except as mentioned above, none of the members of IDC: 1. are directors of the Acquirer or the PACs; 2. hold any equity shares or other securities of the Acquirer or the PACs; and 3. have any contracts/ relationship with the Acquirer or the PACs.
10.	Trading in the equity shares/ other securities of the Acquirer and PACs by IDC Members	None of the members of the IDC have traded in any of the Equity Shares/securities of the Acquirer or the PACs during the period of 12 months prior to the Public Announcement dated April 2, 2019 and till the date of this recommendation.
11.	Recommendation on the Open Offer, as to whether the offer is fair and reasonable	The IDC believes that the Open Offer is fair and reasonable.
12.	Summary of reasons for recommendations	The IDC has perused the PA, DPS, DLoF, LoF and Corrigendum issued on behalf of the Acquirer and the PACs. The members of IDC draw attention to the closing market price of the Equity Shares of the Target Company on the National Stock Exchange of India Limited (**"NSE"**) and BSE Limited (**"BSE"**) as on August 7, 2020 being INR 7,002.15 per Equity Share and INR 7,002.00 per Equity Share, respectively, which is lower than the Offer Price. Based on the review of the PA, DPS, DLoF, LoF and Corrigendum and the report dated August 7, 2020 issued by ICICI Securities Limited to the IDC in regard to the Offer Price, the IDC is of the opinion that the Offer Price of INR 7,067.51 offered by the Acquirer and the PACs is in accordance with the regulations prescribed under the SEBI (SAST) Regulations and appears to be justified, fair and reasonable. The shareholders of the Target Company are advised to independently evaluate the Open Offer and take an informed decision about tendering the Equity Shares held by them in the Open Offer.
13.	Details of Independent Advisors, if any	ICICI Securities Limited
14.	Any other matter to be highlighted	None

To the best of our knowledge and belief, after making proper enquiry, the information contained in or accompanying this statement is, in all material respects, true and correct and not misleading, whether by omission of any information or otherwise, and includes all the information required to be disclosed by the Target Company under the SEBI (SAST) Regulations.

For and on behalf of the Committee of the Independent Directors of WABCO India Limited

SD/-
Mahesh Chhabria
Chairman- Committee of Independent Directors
DIN: 00166049

Place: Mumbai
Date: August 7, 2020

CONCEPT

affle

AFFLE (INDIA) LIMITED

Registered Office | 312, B-Wing, Kanakia Wallstreet, Andheri Kurla Road, Andheri East, Mumbai, Maharashtra 400093
(P) 0124-4992914 (W) www.affle.com Email: compliance@affle.com
CIN: L65990MH1994PLC080451

Extract of Statement of Unaudited Consolidated Financial Results for the quarter ended June 30, 2020

(Amount in Rs Mn, unless otherwise stated)

Particulars	Quarter ended June 30, 2020 (Unaudited)	Quarter ended March 31, 2020 (Audited)	Quarter ended June 30, 2019 (Unaudited)	Year ended March 31, 2020 (Audited)
Total income	922.30	834.37	748.56	3,398.71
Profit before exceptional items and tax	201.07	181.51	163.45	792.25
Net Profit for the period / year	187.71	152.89	131.91	655.17
Total Comprehensive Income for the period / year	190.42	200.32	126.12	709.90
Paid-up Equity Share Capital (Face Value Rs 10/- per Equity Share)	254.96	254.96	242.88	254.96
Other Equity for the year	-	-	-	7,036.63
Earnings per equity share (Face value Rs 10/- per Equity Share)				
Basic:	7.36	6.10	5.43	26.13
Diluted:	7.36	6.10	5.43	26.13

Notes

1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on August 08, 2020 and subjected to limited review by the statutory auditors of the Company.
2. **Key standalone financial information:**

Particulars	Quarter ended June 30, 2020 (Unaudited)	Quarter ended March 31, 2020 (Audited)	Quarter ended June 30, 2019 (Unaudited)	Year ended March 31, 2020 (Audited)
Total income	450.52	473.33	321.27	1873.56
Net Profit for the period / year	35.58	67.79	62.19	328.85
Total Comprehensive Income for the period / year	35.53	69.27	62.00	330.01

3. The above is an extract of the detailed format of the quarterly financial results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015 as amended.

The full format of the quarterly financial results are available to the investors on the websites of stock exchange, www.bseindia.com and www.nseindia.com and on the website of the Company i.e. www.affle.com.om.

By order of the Board
For Affle (India) Limited
Sd/-
Anuj Khanna Sohum
Chairman, Managing Director & Chief Executive Officer

Date: 08/08/2020

AMBIKA COTTON MILLS LIMITED

Regd. Office: 9-A, Valluvar Street, Sivanandha Colony, Coimbatore - 641 012.
CIN: L17115TZ1988PLC002269
Telephone : 0422-2491501/02 Fax: 0422-2499623
Website: www.acmills.in Email: ambika@acmills.in

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30/06/2020

(Rs. In Lakhs, except per share data)

Particulars	Quarter Ended			Year Ended
	30.06.2020	31.03.2020	30.06.2019	31.03.2020
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
1. Total Income from Operations	9928	14696	15163	62385
2. Operating Profit	1515	2184	2972	10606
3. Finance Cost	202	198	291	935
4. Gross Profit	1313	1986	2681	9671
5. Depreciation	703	722	672	2758
6. Net profit/(Loss) for the period(before tax and exceptional items)	610	1264	2009	6913
7. Net profit/(Loss) for the period before tax (after exceptional items)	610	1264	2009	6913
8. Net profit / (Loss) for the period after tax (after exceptional items)	501	1043	1379	5225
9. Other Comprehensive Income	0	-10	0	-10
10. Total Comprehensive income for the period (Comprising Profit / (Loss) for the period(after tax)	501	1033	1379	5215
11. Equity Share Capital	572.50	572.50	572.50	572.50
12. Reserves (Excluding Revaluation Reserve) as per Audited Balance Sheet	—	—	—	50034
13. Earnings Per Share (of Rs.10/- each) (for Continuing and discontinued operations)				
a) Basic	8.75	18.22	24.09	91.27
b) Diluted	8.75	18.22	24.09	91.27

Note : The above is an extract of the detailed format of Quarterly Financial Results ended **30th June, 2020** filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The full format of the Unaudited Financial Results for the Quarter ended **30th June 2020** are available on the Company's websites **www.acmills.in** and on the websites of **BSE (www.bseindia.com)** & **NSE (www.nseindia.com)**.

For Ambika Cotton Mills Limited
Sd/-
P.V.Chandran
Chairman and Managing Director
DIN:00628479

Place : Coimbatore
Date : 08.08.2020

LOYAL equipments limited

(CIN: L29190GJ2007PLC050607)
Regd. Office: Block No. 35/1-2-3-4, Village-Zak, Dahegam, Gandhinagar-382330, Gujarat, India. Tel No.: +91-2716-247236, Fax No.: +91-2716-269333
E-mail: cs@loyalequipments.com, Website: www.loyalequipments.com

NOTICE

Notice is hereby given that pursuant to Regulation 29 & 33 read with Regulation 47 and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 that a meeting of the Board of Directors of Loyal Equipments Limited is scheduled to be held on Friday, August 14, 2020 at 2.00 P.M. at the registered office of the Company situated at Block No. 35/1-2-3-4 Village – Zak, Dahegam, Gandhinagar - 382330 Gujarat, India, inter-alia to consider and approve the Unaudited Standalone and Consolidated Financial Results of the Company for the quarter ended on June 30, 2020 and to take on record Limited Review Report thereon. The said notice may be accessed on the Company's website at www.loyalequipments.com and also on the website of BSE Limited at www.bseindia.com.

For LOYAL equipments limited
Sd/-
Rameshchandra Nathalal Patel
(Whole-time Director)
(Din-01307699)

Place: Gandhinagar, Gujarat
Date: 08.08.2020

APPAREL EXPORT PROMOTION COUNCIL

Regd. Office: A-223, Okhla Industrial Area, Phase-1, New Delhi-110020
CIN: U74899DL1978NPL008877 Telefax: 011- 40501798
Email: aepcokhla@aepcindia.com; Website: www.aepcindia.com

NOTICE OF THE 41ST ANNUAL GENERAL MEETING

The 41st Annual General Meeting (AGM) of the Council will be held on 03rd day of September, 2020, Thursday, at 11:00 A.M through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") Facility to transact the Business, as set out in the Notice of the 41st AGM, in compliance with the applicable provisions of the Companies Act, 2013 and Rules framed there under read with General Circular Nos. 14/2020, 17/2020 and 20/2020 dated 8th April 2020, 13th April 2020 and 5th May 2020, respectively and other applicable circulars issued by the Ministry of Corporate Affairs ("MCA Circular/s"), without the physical presence of the Members at a common venue.

In terms of MCA Circular/s, the Notice of the 41st AGM and the Annual Report for the year 2019-20 including the Audited Financial Statements for the year ended 31st March, 2020 ("Annual Report") has been sent by email to those Members whose email addresses are registered with the Council. The requirements of sending physical copy of the Notice of the 41st AGM and Annual Report to the Members have been dispensed with, vide MCA Circular/s.

Members may note that number of members of the council has increased more than 1000. Therefore, pursuant to section 108 read with Rule 20 (2) of the Companies (Management & Administration) Amendment, Rules 2015 all the resolutions to be carried at 41st Annual General Meeting shall be concluded through E-Voting. Accordingly, it is requested to refer to ***"Rules of E-Voting for the resolutions other than the election of Executive Committee members"*** **and "Rules for Election of Executive Committee Members" (Along with resolution approved by circulation and subsequently approved by Executive Committee in its meeting held on 31.07.2020),** from Council's website i.e., www.aepcindia.com.

It may also be noted that Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote is not available for this AGM. However, the Body Corporate/Members are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate there at and cast its votes through e-voting.

In terms of Rule 11 of Election Rules for Election of Executive Committee Members & as per order dated 12.04.2017 of the Hon'ble Delhi High Court, in LPA No. 368 /2016 & CM. No 31009/2016 titled Affordable Exports V/s Apparel Export Promotion Council & Ors and in compliance of Executive Committee decision dated 31.07.2020, AEPC members can submit their nomination papers physically at Registered office of the Council, for contesting election to the Office of Executive Committee after depositing ₹ 1,00,000/- (Rupees one lac only), up to the closing of business hours on 20.08.2020 or may submit nomination papers through E-mail at sumit.gupta@aepcindia.com along with electronic deposit/ details of ₹ 1,00,000/- (Rupees one lac only) by closing of hours on 20.08.2020. This deposit shall be refunded only to such member who either succeeds in getting elected as a Member to the Executive Committee or gets more than 25% of the total valid votes cast by E-Voting.

Further, pursuant to Rule 14 of Election Rules for Election of Executive Committee Members, a candidate can withdraw his/her nomination from contesting election to Executive Committee Member in Form-II with the same signature as made on nomination Form. Such withdrawal should reach at registered office/regional office of the council up to close of business hours on 23.08.2020 i.e within three days from the last date of receipt of nomination or may submit Form-II for withdrawal of nomination papers through E-mail at sumit.gupta@aepcindia.com by closing of hours on 23.08.2020. In the event of withdrawal of nomination within the stipulated time period provided here in above, the money deposited for submitting nomination shall be refunded.

Note: In view of outbreak of Covid-19, pandemic and the Circulars issued by MCA to hold the AGM through VC/OAVM, the Executive Committee in its meeting held on 31.07.2020 through VC, has decided that the members may deposit the nomination/withdrawal for the ensuing 41st AGM through E-mail as detailed above.

Members contesting the election may kindly refer and download Election Rules framed by the Council for the election of Executive Committee Members along with resolution approved by circulation and subsequently approved by Executive Committee in its meeting held on 31.7.2020, from Council's website i.e., www.aepcindia.com, containing nomination form and other details for elections.

As per the provisions of the paragraph 2.91 & 2.92 of the Hand Book of Procedure of FTP 2015-20 [which was valid up to 31st March, 2020 and is extended up to 31st March, 2021 vide notification No.57/2015-20 dated 31st March, 2020 issued by Director General of Foreign Trade] and provision of Section 108 of the Companies Act, 2013 (the Act) read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 (the "Rules"), the council is pleased to provide e-voting facility to its members enabling them to cast their vote at the 41st AGM by electronic means, on all the resolutions, as set out in the notice of AGM.

The facility of casting the votes by the members using an electronic voting system from place other than AGM ("remote e-voting") and e-voting during the meeting will be provided by the National Securities Depository Limited ("NSDL").

The details pursuant to the provisions of the Act and Rule 20 of the Rules are given hereunder:

a) All resolutions (including election of executive Committee members) as set out in the Notice of AGM dated 31.07.2020, shall be transacted by electronic means only.
b) The remote e-voting shall begin on 31.08.2020 (Monday), at 09:00 AM and ends on 02.09.2020 (Wednesday) at 05:00 P.M. The remote e-voting shall not be allowed beyond 05:00 P.M. on 02.09.2020.
c) The cut- off date for determining the eligibility to vote through remote e- voting as well as e-voting during the AGM is 27.08.2020 (Thursday), and therefore the members whose name is recorded in the register maintained by the Council as on the Cut- off date only shall be entitled to avail the facility of remote e- voting as well as voting at the AGM.
d) Any person who becomes member of the Council after dispatch of Notice, hold membership as on cut-off date i.e. 27.08.2020, may obtain LOGIN ID AND PASSWORD by sending a request at evoting@nsdl.co.in.
e) Members are requested to carefully read all the Notes set out in the Notice of the AGM and in particular, instructions for joining the AGM, manner of casting vote through remote e-voting or E-voting during the AGM and the notice to members published in the newspaper dated 04.08.2020
f) Notice of Annual General Meeting is available on the website of the Council i.e. www.aepcindia.com and at website of the NSDL i.e. www.evoting.nsdl.com.
g) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders/Members and e-Voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in. or contact Mr. Amit Vishal, Senior Manager or Ms. Pallavi Mhatre, Manager National Securities Depository Ltd., Trade World, "A" Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai-400013, at the designated email IDs: evoting@nsdl.co.in or AmitV@nsdl.co.in or pallavid@nsdl.co.in or at telephone nos.: +91-22-2499 4360 or +91 22 2499 4545, who will also address the grievances connected with the voting by electronic means.
h) Members may note that: a) the remote e-Voting module shall be disabled by NSDL after the aforesaid date and time for voting and once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently; b) the Members who have cast their vote by remote e-Voting prior to the 41st AGM may participate in the 41st AGM through VC/OAVM facility, but shall not be entitled to cast their vote again through the e- Voting system during the 41st AGM; c) the Members participating in the 41st AGM and who had not cast their vote by remote e-Voting, shall be entitled to cast their vote through e-Voting system during the 41st AGM; and d) a person whose name is recorded in the Register of Members maintained by the Council as on the cut-off date only shall be entitled to avail the facility of remote e-Voting, participating in the 41st AGM through VC/OAVM Facility and e-Voting during the 41st AGM.
i) Further in terms of Section 91 of the Companies Act 2013, the Register of Members shall remain closed from Friday, 28.08.2020 to Thursday, 03.09.2020 (both days inclusive) for the purpose of AGM.

For Apparel Export Promotion Council
(Sumit Gupta)
Secretary

Date : 08/08/2020
Place: New Delhi

VII. **TENTATIVE SCHEDULE OF ACTIVITY**

ACTIVITY	Day and Date#
Date of the Public Announcement (PA)	Monday, August 03, 2020
Date of the Detailed Public Statement (DPS)	Monday, August 10, 2020
Last date of filing Draft Letter of Offer (DLOF) with SEBI	Monday, August 17, 2020
Last date for a Competitive Bid / Offer	Monday, August 31, 2020
Identified Date*	Wednesday, September 09, 2020
Last date for dispatch of the Letter of Offer to the Public Shareholders	Wednesday, September 16, 2020
Last date for public announcement by the Independent Directors committee of the Target Company on the Offer	Monday, September 21, 2020
Last date for upward revision of the Offer Price or any increase in the Offer Size	Tuesday, September 22, 2020
Offer Opening Public Announcement (Pre-Offer PA)	Tuesday, September 22, 2020
Date of Opening of the Tendering Period (TP) / Offer	Wednesday, September 23, 2020
Date of Closure of the Tendering Period (TP) / Offer	Wednesday, October 07, 2020
Last date for communicating the rejection /acceptance; Completion of payment of consideration or refund to the shareholders	Tuesday, October 20, 2020
Last date for release of Post-Offer Public Announcement (Post-Offer PA)	Wednesday, October 28, 2020
Submission of Final Report by the Manager to the Offer with SEBI	Wednesday, October 28, 2020

**Date falling on the 10th (Tenth) working day prior to commencement of the Tendering Period, for the purposes of determining the eligible shareholders of the Target Company to whom the Letter of Offer shall be sent. It is clarified that all the Public Shareholders (as defined below) are eligible to participate in this Offer at any time prior to the closure of the Tendering Period.*

#The above timelines are indicative (prepared on the basis of timelines provided under the SEBI (SAST) Regulations) and are subject to receipt of relevant approvals from various regulatory authorities and may have to be revised accordingly.

Note: Where last dates are mentioned for certain activities, such activities may happen on or before the respective last dates.

Duly Signed FOA and Transfer Deed(s) together with Share Certificate(s) in case of physical shares and duly signed FOA and delivery instruction slip in case of dematerialized shares should be dispatched by Registered Post / Courier or Hand Delivery to **Skyline Financial Services Private Limited ("Registrar to the Offer")** to arrive not later than 18:00 hours on or before Friday, October 09, 2020 i.e. within two working days from closure of the TP

VIII. **PROCEDURE FOR TENDERING THE SHARES IN CASE OF NON RECEIPT OF LETTER OF OFFER**

1. All the Public Shareholders of the Target Company (except the Sellers, the Acquirer and the PACs), whether holding the Equity Shares in physical form or dematerialized form are eligible to participate in this Offer at any time during the tendering period for this Offer..
2. Persons who have acquired Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the Draft Letter of Offer, may also participate in this Offer.
3. The Open Offer will be implemented by the Company through Stock Exchange Mechanism made available by BSE Limited ("**BSE**") in the form of separate window ("**Acquisition Window**") as provided under the SEBI (SAST) Regulations and SEBI Circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 and CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 issued by SEBI.
4. The Equity Shares of the Target Company are listed at BSE. The Acquirer and the PACs intend to use the Acquisition window Platform of BSE Limited for the purpose of this offer and for the same BSE Limited shall be the designated stock exchange for the purpose of tendering Equity Shares in the Open Offer. Further, Separate Acquisition Window will be provided by the BSE Limited to facilitate placing of sell orders. The Selling members can enter orders for demat shares as well as physical shares.
5. The Equity Shareholders will have to ensure that they keep a DP/Demat Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Open Offer.
6. The Acquirer and the PACs has appointed Systematix Shares and Stocks (India) Limited as the "Buying Broker" for the Open Offer through whom the purchase and the settlement of the Open Offer shall be made during the Tendering Period. The contact details of the Buying Broker are as mentioned below:
   Systematix Shares and Stocks (India) Limited
   A/603-606, The Capital, Plot C-70, G-Block, BKC, Bandra (East), Mumbai 400 051, India.
   Tel. No. +91-22-6704 8000; **Fax No.** +91-22-6704 8029;
   Email: compliance@systematixgroup.in; **Contact Person**: Mr. Rajkumar Gupta.
7. All the shareholders who desire to tender their Equity Shares under the Open Offer would have to intimate their respective stock broker ("**Selling Broker**") during the normal trading hours of the secondary market during the TP. Upon placing the bid, the Selling Broker(s) shall provide the Transaction Registration Slip ("**TRS**") generated by the exchange bidding system to the shareholder. TRS will contain details of order submitted like Bid ID No., DP ID, Client ID, No. of equity shares tendered etc.
8. Shareholders who wish to bid /offer their physical shares in the Offer are requested to send their original documents as mentioned in the LOF to the Registrar to the Offer so as to reach them within 2 days from closure of the TP. It is advisable to email scanned copies of the original documents mentioned in the LOF, first to the Registrar to the Offer then send physical copies to the Collection Centre.
9. If the Seller's broker is not a registered member of BSE, the Seller can place their bids through the Buying Broker subject to fulfilment of the account opening and other KYC requirements of the Buying Broker.
10. The process of tendering Equity Shares by the Equity Shareholders holding in demat and physical Equity Shares will be separately enumerated in the Letter of Offer.
11. In accordance with the Frequently Asked Questions issued by SEBI, "FAQs - Tendering of physical shares in buyback offer/ open offer/ exit offer/delisting" dated February 20, 2020, SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020 and BSE notice no 20200528-32 dated 28 May 2020, shareholders holding securities in physical form are allowed to tender shares in open offer. However, such tendering shall be as per the provisions of the SEBI (SAST) Regulations.

IX. **It must be noted that the detailed procedure for tendering the shares in the offer will be available in the Letter of Offer ("LOF"). Kindly read it carefully before tendering Equity Shares in the Offer. Equity Shares once tendered in the Offer cannot be withdrawn by the Shareholders.**

X. **OTHER INFORMATION**

1. The Acquirer and the PACs jointly and severally, accept full responsibility for the information contained in the Public Announcement and this Detailed Public Statement and also accept responsibility of their obligations under the SEBI (SAST) Regulations.
2. In this DPS, any discrepancy in any table between the total and sums of the amount listed is due to rounding off and / or regrouping.
3. In this DPS, all references to "Rs." or "INR" or "₹" are references to the Indian Rupee.
4. To participate in the Offer, shareholders are required to have an active DP/ Demat Trading Account irrespective of their holding of the Equity Shares (physical or demat) in the Target Company
5. Shareholders are also requested to read the recommendations of Independent Directors of the Target Company before tendering their Equity Shares in the Offer.
6. The tentative schedule as mentioned at Section VII of this DPS may change if the Manager to the Offer does not receive final observations from SEBI within the time due to any reasons whatsoever.
7. If the Offer gets delayed, the Manager to the Offer will release a revised schedule for the activities one working day prior to the revised TP alongwith details of the "Acceptance Date" and the "Settlement Date" for the Offer in the same newspapers in which this DPS is published.
8. The Acquirer and the PACs refrain to send the LOF to non-resident shareholders in accordance with Regulation 18(2) of the SEBI (SAST) Regulations since the local laws or regulations of any jurisdiction outside India may expose to them or to the Target Company to material risk of civil, regulatory or criminal liabilities in case the LOF is sent in its original form. However, non-resident can participate in the Offer even if LOF is not sent to them but they need to provide relevant tax-declarations as mentioned in the LOF.
9. Pursuant to Regulation 12 of the Regulations, the Acquirer and the PACs have appointed **Systematix Corporate Services Limited** as "**Manager to the Offer**" and **Skyline Financial Services Private Limited** as "**Registrar to the Offer**" as per the details below:

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
SYSTEMATIX GROUP Investments Re-defined	Skyline Financial Services Pvt. Ltd.
SYSTEMATIX CORPORATE SERVICES LIMITED The Capital, A Wing, 603-606, 6th Floor, Plot No. C-70, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051, Maharashtra, India. **Telephone**: +91 22 6704 8000 **Fax**: +91 22 6704 8022 **E-mail**: ecm@systematixgroup.in **Website**: www.systematixgroup.in **Contact Person**: Amit Kumar **SEBI Registration No**: INM000004224	**SKYLINE FINANCIAL SERVICES PRIVATE LIMITED** A/505, Dattani Plaza, Andheri Kurla Road, Safeed Pool, Andheri East, Mumbai -400 072 Maharashtra, India. **Telephone:** +91-22-2851 1022 **Fax:** -Not available **E-mail**: pravin.cm@skylinerta.com **Website:** www.skylinerta.com **Contact Person:** Pravin Golatkar **SEBI Registration No.**: INR000003241

10. A copy of Public Announcement ("**PA**"), this Detailed Public Statement ("**DPS**") and the Letter of Offer (LOF) would also be available at SEBI website: www.sebi.gov.in.

Signed by the Acquirer and the PACs
Sd/-
Mr. Jaspalsingh Prehladsingh Chandock
Sd/-
Mr. Trimaan Jaspalsingh Chandock
Sd/-
Mr. Jaikaran Jaspalsingh Chandock

Date: August 8, 2020
Place: Mumbai.

Aramco sticks with dividend plan even as profit crashes 73%

BLOOMBERG
August 9

SAUDI ARABIA'S STATE-controlled oil giant pressed ahead with a plan to pay $75 billion in dividends this year despite crashing profit and a surge in debt, as the kingdom battles a widening budget deficit.

Saudi Aramco said net income for the three months ending in June fell to 24.6 billion riyals ($6.6 billion), down 73% from a year earlier, after the price of oil collapsed.

Aramco will pay a dividend of $18.75 billion for the quarter, most of it to the government, which owns around 98% of the company's stock, it said in a statement.

"Strong headwinds from reduced demand and lower oil prices are reflected in our second-quarter results," chief executive officer Amin Nasser said. "We are seeing a partial recovery in the energy market as countries around the world take steps to ease restrictions and reboot their economies."

The results cap a turbulent period for the world's biggest oil exporter.

Prices briefly turned negative in the US in April as virus lockdowns battered the global economy and Aramco slashed hundreds of jobs.

Saudi Arabia and Russia subsequently led a push by the Organization of the Petroleum Exporting Countries and its partners to reduce production and prop up crude prices. Although they've rallied, Brent is still down 33% this year.