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IN THE NEWS

Future Group-RIL deal gets CCI green light

DESPITE AMAZON HAVING lodged requests with Indian regulators to take note of an interim stay awarded by the Singapore International Arbitration Centre on the Future-RIL deal, the CCI on Friday approved the ₹24,713-crore transaction, reports **fe Bureau** in **New Delhi**.

EPF base up 15 lakh in Sept, says govt

AT 14.9 LAKH in September this year, the net addition to the EPF subscribers base was not just the highest so far in the current fiscal, but also more than double the monthly average net addition of 6.55 lakh recorded in 2019-20, according to official data, reports **fe Bureau** in **New Delhi**.

Govt releases backend code of Aarogya Setu

THE GOVERNMENT ON Friday released the backend code of Aarogya Setu in the open domain that will help people understand the functioning of the COVID-19 contact-tracing app and allay apprehensions they may have around privacy and security, reports **PTI**.

LICENCE TO LEND

Big business houses may soon promote banks

Cap on promoters' stake may be raised from 15 % to 26% over 15 years, suggests RBI panel

FE BUREAU
Mumbai, November 20

IN A SIGNIFICANT shift of stance, large corporates and conglomerates could own banks if the suggestions of an internal working group (IWG) constituted by the Reserve Bank of India (RBI) are accepted. The IWG recommends sweeping changes and easier rules that could altogether alter the Indian banking landscape with the presence of many more banks of all hues.

For instance, large, well-run non-banking finance companies (NBFCs), with an asset size of ₹50,000 crore and above could become banks post 10 years of operations once they pass the due exercise. These could be owned by a corporate house so a Bajaj Finance, L&T Financial Holdings or an M&M Financial could make the cut.

Many NBFCs have been keen to turn into banks as it would give them access to cheap CASA deposits even if meeting statutory ratios are initially expensive. For its part, RBI may prefer NBFCs become banks as they could then be better regulated and subject to more regulations.

A final stake of 26%, as the IWG suggests, up from the current 15% could be a sweetener. If accepted, it would standardise the relaxation given to Uday Kotak, promoter of Kotak Mahindra Bank, earlier this year. For non-promoter shareholders, a uniform cap of 15% has been prescribed.

However, the IWG feels the initial limit of a 40% shareholding remains, with no upper ceiling during the first five years. Payments banks intending to convert to a small finance bank (SFB) need a track record of three years as a payments bank, lower than the current minimum of five years.

SFBs and payments banks may be listed within six years from the date of reaching a net worth equivalent to prevalent entry capital requirement prescribed for universal banks or 10 years from the date of commencement of operations, whichever is earlier.

Continued on Page 13

GAME CHANGER

- Cap on promoters' stake may be raised from **15 % to 26%** over 15 years
- Uniform cap of 15% for all non-promoter shareholders
- Big corporate, industrial houses may promote banks, post changes to BRA
- Well-run, large NBFCs, with assets of ₹50,000 crore and above, may convert into banks after 10 years
- Payments banks with three-year experience can become SFBs
- SFBs and payments banks may list within 6-10 years
- Minimum initial capital to be raised to ₹1,000 crore for new universal banks, and to ₹300 crore for new SFBs
- NOFHC must to continue where individual promoters, promoting entities or converting entities have other group entities; preferred structure for all new universal bank licences
- Banks licensed before 2013 may move to an NOFHC; banks now under NOFHC can exit if they do not have other group entities
- Once NOFHC attains a tax-neutral status, all banks licensed before 2013 shall move under it within 5 years from tax-neutrality announcement

COVID

EU could pay over $10 bn for CureVac, Pfizer vaccines

FRANCESCO GUARASCIO
Brussels, November 20

THE EUROPEAN UNION could pay more than $10 billion to secure hundreds of millions of doses of the vaccines being developed by Pfizer-BioNTech and CureVac, an EU official involved in the talks told Reuters. The bloc has agreed to pay $18.34 per dose for the vaccines being developed by Pfizer and BioNTech, according to the official.

That would mean an overall price of up to $3.7 billion for 200 million doses, rising to $5.52 billion if another optional 100 million doses are bought under the deal, the official said. The pricing information, previously undisclosed, confirms the EU is paying less per dose than the US for an initial supply of vaccine, as reported by Reuters last week.

The deal includes an insurance for EU countries to get compensation if the companies divert doses to the US, according to the source, who requested anonymity due to the sensitivity of the matter.

Continued on Page 13

FACEBOOK USER DATA

US, India top govt request tally in H1

PRESS TRUST OF INDIA
New Delhi, November 20

GOVERNMENT REQUESTS FOR Facebook user data increased 23% globally in January-June 2020 with India occupying the second spot after the US in terms of such requests being made. According to Facebook's latest transparency report, total 35,560 requests were made by India in the period for 57,294 users/accounts. Some data was produced in 50% cases, it added.

In the first six months of 2020, government requests for user data increased by 23% to 1,73,592 globally from 1,40,875 in H2 of 2019. The highest number of requests in January-June 2020 came from the US with 61,528 requests for 106,114 users/accounts, and some data was produced in 88% of the cases, the report said.

Continued on Page 13

SCALING THE WALL

World
1,73,592
govt requests for user data globally in H1 2020, from 1,40,875 in H2 2019

US	India
61,528 requests made for 106,114 users/ accounts	35,560 requests made for 57,294 users/accounts
88% of the cases some data was produced	50% of the cases some data was produced

Of every 10,000 content views in Q3, 10-11 were hate speech: Facebook

FACEBOOK HAS FOR the first time disclosed prevalence of hate speech on its platform, saying that out of every 10,000 content views in Q3, 10-11 were hate speech, reports **PTI**.

Facebook, which has 1.82 billion daily users globally, has drawn flak in the past for its handling of hate speech on the platform in India, which is among its biggest markets. ■ **Page 8**

HEAVY METAL

ArcelorMittal-Nippon Steel lays out large expansion plan, seeks govt aid

SURYA SARATHI RAY
New Delhi, November 20

SANGUINE ABOUT INDIA'S high growth potential in the steel sector, AM/NS India has approached the government, seeking specific policy support to an ambitious plan to expand its steel-making capacity in India with "significant investments", according to a senior company executive. It is primarily evaluating the option of a large green-field facility in eastern India, but may also opt for further expansion through the inorganic route. AM/NS India, a 60:40 joint venture between world's largest steelmaker Arcelor Mittal and Japan's Nippon Steel, had acquired Essar Steel's 9.6 MT Hazira plant for ₹42,785 crore in December.

Continued on Page 2

> We have explained (to Dharmendra Pradhan) our ambitions to expand our India footprint. We also discussed the appropriate backdrop which would provide us with the confidence to make significant investment to fulfill the ambitious plans.
> —**DILIP OOMMEN**, CEO, AM/NS INDIA

RICE PROCUREMENT

Fixed fee for arhatiyas seen to cut FCI's costs

PRABHUDATTA MISHRA
New Delhi, November 20

THE FOOD CORPORATION of India (FCI), the largest procurer of farm produce from the APMC mandis, has started a paying a fixed fee for commission agents (arhatiyas) in Punjab and Haryana, for rice purchases during the current kharif season, instead of an MSP-linked fee. The move could deflate the FCI's procurement cost over the years, and thereby the Centre's food subsidy bill.

Till the last rabi season, when the FCI started paying commission to the arhatiyas in Punjab and Haryana a fixed amount as commission for wheat, the FCI used to pay 2.5% of the notified minimum support price (MSP) to them for the two main grains.

Continued on Page 2

■ FCI used to pay 2.5% of MSP as arthiya commission, instead, a fixed fee (₹45.38-45.88 per quintal) for paddy in 2020-21

■ FCI outgo roughly the same in both cases; since fixed fee not likely to move with annual MSP increments, the outgo may reduce over years

SATELLITE BROADBAND

Bharti's OneWeb takes off; eyes full commercial services by mid-2022

FE BUREAU
New Delhi, November 20

WITH BHARTI ENTERPRISES-LED low earth orbit (LEO) broadband satellite communications company, OneWeb emerging from US Chapter 11 bankruptcy protection and achieving all relevant regulatory approvals, chairman Sunil Bharti Mittal said that beginning mid-December till October 2021, the company will launch a total 360 satellites to construct a global satellite constellation that will provide enhanced broadband and other services to countries around the world. This would mark the trial test runs.

Speaking to *FE*, Mittal said that from May-June 2022 commercial broadband services would be launched in several parts of the globe in remote and hilly regions where currently such services are not available. The services would commence from UK and the Arctic region and subsequently expand.

Continued on Page 2

Broadband communications **through satellites** is provided by dropping a box which creates Wi-Fi spots through which broadband services are provided

■ It is ideal for **remote and hilly regions** where normal communication links are difficult to build

Bharti and consortium have invested **$1 billion** and will raise another $ 1 billion

Trial test runs will begin from the second half of **December**

> There is an unmet demand around the globe for broadband connectivity and we intend to continue OneWeb's social mission. We will use our JV facility to drive down cost of service, opening new use cases for low latency broadband provision.
> —**SUNIL BHARTI MITTAL**, CHAIRMAN, ONEWEB

STELLAR SHOW

Gland Pharma shares make strong debut, surge 21%

PRESS TRUST OF INDIA
New Delhi, November 20

MAKING A STELLAR debut, shares of Gland Pharma on Friday surged over 21% on the bourses compared to its issue price.

After opening on a strong note, the scrip settled with a 7% gain on the BSE and the NSE when compared with the opening level.

On the BSE, the shares opened at ₹1,701 apiece, a gain of over 13% compared to the issue price of ₹1,500. The stock touched an intra-day high of ₹1,850 and ended the day at ₹1,820.45.

Similar trends were witnessed on the NSE where the scrip listed at ₹1,710 and touched an intra-day high of ₹1,850. The opening price was 14% more compared to the issue price. It closed at ₹1,828.

Compared to the issue price of ₹1,500 apiece, the scrip ended the day with a gain of more than 21% on both the bourses.

The price band for the initial public offering (IPO), which closed earlier this month, was fixed at ₹1,490-1,500 per share. The company's promoters are Fosun Singapore and Shanghai Fosun Pharma.

Continued on Page 13

PATENT TUSSLE

JLR seeks to block Porsche, Audi SUV imports in US

CHRISTOPHER YASIEJKO & SUSAN DECKER
November 20

YOU WOULDN'T KNOW it was about Jags and Lambos, to judge by its rather dry name: In the Matter of Certain Vehicle Control Systems. But that's the complaint Jaguar Land Rover Automotive filed on Thursday to block US imports of Porsche, Lamborghini, Audi and Volkswagen SUVs it says are using its patented Terrain Response technology without permission. JLR said in its filing with the US International Trade Commission that the technology is a key feature in Jaguar's F-Pace and Land Rover Discovery vehicles.

Continued on Page 2

■ JLR says **Porsche, Lamborghini, Audi and Volkswagen SUVs** using its patented Terrain Response technology without permission

■ The tech is a key feature in Jaguar's **F-Pace and Land Rover Discovery vehicles**

■ JLR has filed the complaint with the **US International Trade Commission**

LABOUR WELFARE

Appointment letter and free annual health check-up must

SURYA SARATHI RAY
New Delhi, November 20

ALL ESTABLISHMENTS WILL require to issue appointment letters delineating skill, wages and growth avenue and foot the bill for annual free-of-cost medical examination for all factory, mine and construction workers above 45 years of age. These are among the highlights of the draft rules released by the Centre, under the occupational safety, health and working conditions Code that came into effect recently.

While the Code itself caps the work time at 48 hours a week, the draft rules states that, "The period of work of a worker shall be so arranged that inclusive of his intervals for rest, shall not spread over for more than twelve hours in a day. The period of work shall not exceed five hours and that no worker shall work for more than five hours before he has had an interval for rest of at least half an hour."

The rules also provide for safety of women employment in all establishment for all type of work before 6 am and beyond 7 pm with their consent. In calculating overtime on any day, a fraction of an hour between 15 to 30 minutes shall be counted as 30 minutes; at present less than 30 minutes is counted as no overtime.

Continued on Page 2

Special Feature

There is a shift from diesel to both petrol and CNG cars

Despite exiting the diesel engine space earlier this year, Maruti Suzuki has recorded highest ever sales in October 2020, with 51% market share: Shashank Srivastava, MSIL.
■ **Motobahn, P13**

QuickPicks

ALL announces VRS for execs; 5,700 employees eligible to opt

IN A serious attempt at pruning its workforce Ashok Leyland (ALL) on Friday announced a voluntary retirement scheme for its executive cadre making 5,700 eligible to opt for the plan, reports **Sajan C Kumar** in **Chennai**. Executives who have completed as little as one year can opt for the VRS. N V Balachandar, president HR, CSR and communication, ALL, told *FE* the objective of the VRS is to scale down the team and bring in efficiency. **PAGE 4**

IPL 2020 scores big; viewership grows 23% over last year

THE 2020 edition of the Indian Premier League recorded a 23% jump in viewership over 2019, reports **fe Bureau** in **Mumbai**. According to BARC India, the tournament registered 405 million viewers and a total of 400 billion viewing minutes on television. IPL surpassed the previous record held by the 2019 cricket (ODI) World Cup which garnered 344 billion viewing minutes on television. **PAGE 4**

PRIME TIME

Netflix to stream all content for free on Dec 5 and 6

FE BUREAU
New Delhi, November 20

FOR BEGINNERS, THIS could turn out to be an ideal opportunity for trial and testing, and for Netflix, the gain could be higher number of subscribers. The popular video streaming platform has decided to host a weekend StreamFest in India next month that will give consumers free access to its content library. Anyone in India can watch all the blockbuster films, series, documentaries and reality shows for two whole days, the company said in a blog post on Friday. The move, experts suggest, is aimed at bringing new users to the platform that competes against players like Amazon Prime Video, Disney+ Hotstar and Zee5 in the burgeoning OTT (over the top) market in India.

The two-day StreamFest will be on December 5 and 6. Customers who sign up for the Fest will get only one stream in standard definition and can access all the features that members use. "At Netflix, we want to bring the most amazing stories from across the world to all fans of entertainment in India," the company said. Currently, Netflix offers monthly subscription plans across three price slabs of ₹499, ₹649 and ₹799, respectively, apart from the ₹199 mobile-only pack.

Continued on Page 2

NETFLIX competes with global players Amazon Prime Video and Disney+Hotstar in India, besides a clutch of homegrown players

■ Prime Video reaches over **4,300 towns & cities**; Disney+Hotstar subscribers accounted for a little over a quarter of the global subscriber base of Disney+

■ On an average, **North Indians purchased 3** new OTT subscriptions; **South Indians added 2**, according to a study by DAN India Data Sciences

■ Indian online video services market is estimated to touch **$2.5 bn by FY24** from the current $0.6 bn

Economy

SATURDAY, NOVEMBER 21, 2020

POSITIVITY RATE IN DELHI

Satyendar Jain, Delhi health minister

The positivity rate has come down and the number of cases is also reducing gradually. It is a clear indicator that the spread of the virus is decreasing in Delhi

Quick View

DGGI to write to ICAI for action against CAs

THE DIRECTORATE GENERAL of GST Intelligence (DGGI) will write to Institute of Chartered Accountants of India (ICAI) for necessary action against CAs arrested for connivance with GST offenders, sources said. At least three professionals have been arrested in the last eight days by the tax department in fake invoice frauds. The DGGI in its nation-wide drive against fake invoices has so far arrested 41 persons and booked 577 cases against 2,221 identified entities, sources said. ICAI is a regulator for the chartered accountancy in the country.

Retail inflation slightly up for rural, farm workers

RETAIL INFLATION FOR farm workers and rural labourers rose marginally to 6.59% and 6.45%, respectively, in October due to higher prices of certain food items, marking the first increase in the rates price rise in 2020.

Murmu elected to Geneva-based IPU for 3 terms

THE COMPTROLLER & Auditor General (CAG) of India Girish Chandra Murmu has been elected as External Auditor of Geneva-based Inter Parliamentary Union (IPU) for a three-year term. Murmu will assume this prestigious position shortly.

EXTENSIVE INTEL OPERATION

GST notices for past tax payment irk assessees

SUMIT JHA
New Delhi, November 20

AS THE GOVERNMENT steps up its offensive against fake invoice rackets , it has started asking taxpayers to explain various aspects of voluntary tax payments made since the goods and services tax (GST) was launched. This has upset the assessees who are dealing with the fallout of the pandemic.

Under GST, a taxpayer can discharge any outstanding tax liability through a form called DRC-03. This is used by taxpayers to address short tax payment or for discharging liabilities in response to show cause notices from the department.

The GST administration is required to acknowledge such payments soon after it is made but many assessees told *FE* that they are getting notices since August even though the department never followed up due procedure after DRC-03 payments were made.

One of the notices seen by *FE* has asked the assessee to explain reasons for generating DRC-03 along with supporting documents including show cause notices, order and letters, among others. Further, it has also asked for ledger for the period DRC-03 has been generated.

In another notice, the department has asked for 'calculation sheet prepared for the amount referred in DRC-03 and any other relevant document'.

"Tax officers are responsible for acknowledging taxpayers' payment in FORM GST DRC-03, which they did not undertake since 2017. After more than three years, tax officers are issuing a notice to re-check and re-calculate the voluntary payment of tax dues," Rajat Mohan, senior partner at AMRG & Associates, said.

He added assesses expect tax department to provide comfort to taxpayers in trying times rather than awarding them with a plethora of tax notices.

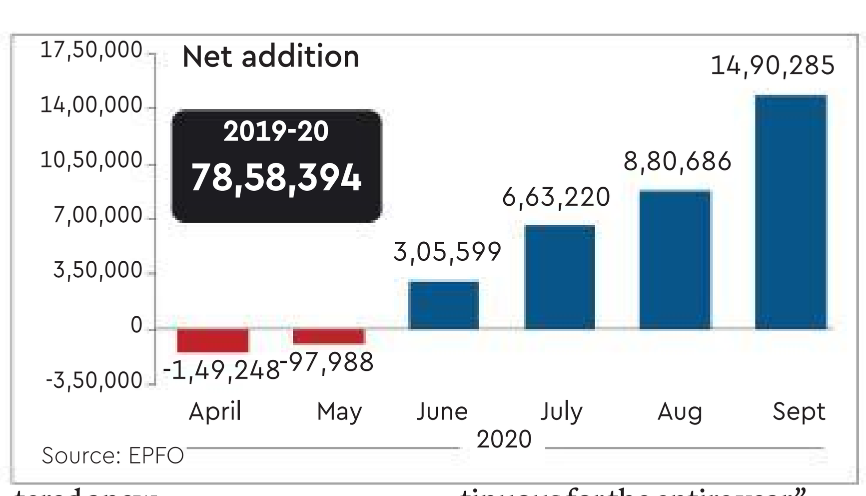
Tax officials said that the department was undertaking extensive intelligence operation to weed out fraudsters availing fake invoices, and it was possible that some of the commissionerates were sending such notices for gathering more information.

Till Wednesday, the intelligence wing of GST had arrested six persons including a woman in Chennai on charges of fake invoice circulation on Thursday, sources said.

On the seventh day of the nationwide drive against the practice of illegally availing input tax credit, the department has so far arrested 36 person which included three chartered accountants. The directorate general of GST intelligence has so far booked 519 cases against 1,736 identified entities, said sources.

EPF base up 15 lakh in Sept, says govt

FE BUREAU
New Delhi, November 20



AT 14.9 LAKH in September this year, net addition to the EPF subscribers base was not just the highest so far in the current fiscal, but also more than double the monthly average net addition of 6.55 lakh recorded in 2019-20, according to official data. The net subscribers' addition in September 2020 is also 70% higher than the revised figure for the previous month.

Employees' Provident Fund Organisation (EPFO) arrives at the net addition to its subscribers' base deducting from those who exited the scheme during a particular month from the total of those who rejoined the scheme and those got registered anew.

According to EPFO's own admission, the "data is provisional as updation of employee's records is a continuous process and gets updated in subsequent month/s." And, also the fact is that "the estimates may include temporary employees whose contributions may not be continuous for the entire year."

Hence, the payroll data is never robust enough to draw immediate conclusions from. And there are reasons for that as well. EPFO's payroll data, which comes with a lag, showed 1.33 lakh net addition to the subscribers' base in April when it was first released in June. The same number is now being shown in the latest release as minus (-) 1.49 lakh! However, the September data shows, the maximum net addition of 3.9 lakh to the subscribers' base was from the over 35 years age bracket, followed by 3.34 lakh from the 22-25 years bracket.

One curious aspect of the EPFO payroll data is also the high frequency of subscribers stopping contributions. For instance, as many as 2.8 lakh people ceased subscriptions in September 2020, compared to 10.47 lakh new subscribers joining during the month. Of course, 7.23 lakh workers who earlier stopped contributing to the EPF rejoined during the month, resulting in net additions of 1.49 lakh new subscribers.

FM calls for collective efforts to tackle Covid during G20 meeting

FE BUREAU
New Delhi, November 20

FINANCE MINISTER NIRMALA Sitharaman on Friday highlighted the need for continued collective and coordinated efforts by G20 members to counter the damaging impact of the Covid-19 pandemic.

Attending a virtual meeting of finance ministers of the G20 nations to discuss global economic outlook and the group's responses to the Covid-19 crisis, Sitharaman stressed affordability and accessibility of vaccines for all as a crucial step in this direction.

The minister also highlighted the Debt Service Suspension Initiative (DSSI) as an important step. The DSSI provides time-bound suspension of debt service payments for the low-income debtor countries that seek forbearance.

The DSSI initiative was initially in force until the end of 2020. However, in light of the continued liquidity pressures, the G20 had agreed to extend the DSSI by 6 months, and to examine in 2021 if the economic and financial situation requires a further extension of the DSSI.

In the October meeting, talking about the ways to address the debt vulnerabilities of low-income countries, Sitharaman had also observed that in a longer term, a more structural treatment of debt is required. This process should primarily be guided by the objective of helping such countries overcome the Covid-induced fiscal stress.

Fitch says post-Covid reforms to aid India's medium-term growth

FE BUREAU
New Delhi, November 20

THE REVIVAL OF the government's reform agenda in the wake of the coronavirus pandemic can potentially raise India's medium-term growth rates, Fitch Ratings said on Friday. However, downside risks to growth persist and any worthwhile assessment of the effective implementation of reforms will take time, it added.

The agency had in September forecast India's real GDP to shrink by a record 10.5% in FY21, thanks to the pandemic. However, it predicted a rebound in growth to as much as 11% in the next fiscal and 6% in FY23.

The agency hailed the government's plan to privatise some state-owned enterprises, of which more than 200 are owned by the Centre and 800 by state governments. The Centre will soon bring in a policy under which at best four state-run entities will be allowed to operate in each of the specified strategic sectors.

"A wide-ranging privatisation push involving large state-owned enterprises could be transformative. However, it remains unclear whether the government plans to surrender its majority control. The strength of market demand for state assets is also yet to be tested," it said. The agency, however, expects the central government to remain "generally reform-minded over the next few years", while reforms also take place at the state level.

Flagging some risks, the global rating agency said on Friday that damaged corporate balance sheets will dampen investment for years. "Renewed asset-quality challenges in banks and generally fragile liquidity for non-bank financial companies could also constrain growth prospects and jeopardise the stability of the medium-term government debt/GDP trajectory," it said. Improving medium-term growth rates under these circumstances will require reforms to support investment and boost productivity.

Petrol price rises 17 paise, diesel 22 paise after 2-month hiatus

PRESS TRUST OF INDIA
New Delhi, November 20

PETROL PRICE ON Friday was hiked by 17 paise per litre and diesel by 22 paise, as firming international oil prices broke a nearly two-month-long hiatus in price revision.

Petrol price in Delhi was hiked to ₹81.23 per litre from ₹81.06, according to a price notification from oil marketing companies.

Diesel rates went up from ₹70.46 to ₹70.68 per litre.

This is the first revision in petrol prices since September 22. Diesel rates hadn't changed since October 2.

Public sector oil marketing companies — Indian Oil Corporation, Bharat Petroleum Corporation and Hindustan Petroleum Corporation — revise rates of petrol and diesel daily based on benchmark international oil price and foreign exchange rate. These have, however, restored to calibrating the rates since the pandemic broke out with a view to avoiding volatility in retail prices.

From the Front Page

ArcelorMittal-Nippon Steel lays out large expansion plan, seeks govt aid

This was the country's largest stressed-asset deal and marked Arcelor-Mittal's entry into India's potentially fast-growing steel industry.

Senior representatives of AM/NS India have recently made a presentation to Union steel minister Dharmendra Pradhan on the firm's likely investment proposals in the country. They also explained to the minister the support that the company would be requiring, from the Centre and the concerned state governments for the plans to materialise. "It was a fruitful meeting in which we explained our ambitions to expand our steelmaking footprint in India in the future. We also discussed with the minister the appropriate backdrop which would provide us with the confidence to make significant investment to fulfil the ambitious plans," Dilip Oommen, CEO, AM/NS India, told *FE*.

Despite the Covid-19 pandemic, AM/NS India did well compared to peers in India in first three full quarters of 2020 since the Hazira unit acquisition – it clocked $423 million as earnings before interest taxes depreciation and amortisation (Ebitda) in the January-September period. The Hazira unit produced 4.7 million tonne of crude steel during the nine month period, of which the highest output was in the September quarter, at 1.8 mt.

AM/NS India has already announced a plan to enhance the finished steelmaking capacity at Hazira to 12-15 mtpa from 6.5 mtpa now. However, the larger plan, which is being discreetly shared with the government, is to expand its India footprint via a greenfield facility in the eastern part of the country. The idea is also to bank on the government's 'Purvodaya' initiative that encourages the setting up of new steel plants. In sync with its strategy, in February, AM/NS India bagged an iron ore mine with estimated reserves of 180 million tonne in Odisha through competitive bidding.

Sources said Arcelor Mittal will undertake all steel capacity expansion in India through the joint venture entity, at least for the time being. On its own, Arcelor Mittal had executed with the Karnataka government a lease-cum-sale agreement for 2,643 acre on December 26, 2018, for its proposed 6 mtpa steel plant with a captive 750 MW power plant, but its latest annual report said, "The project is currently under review".

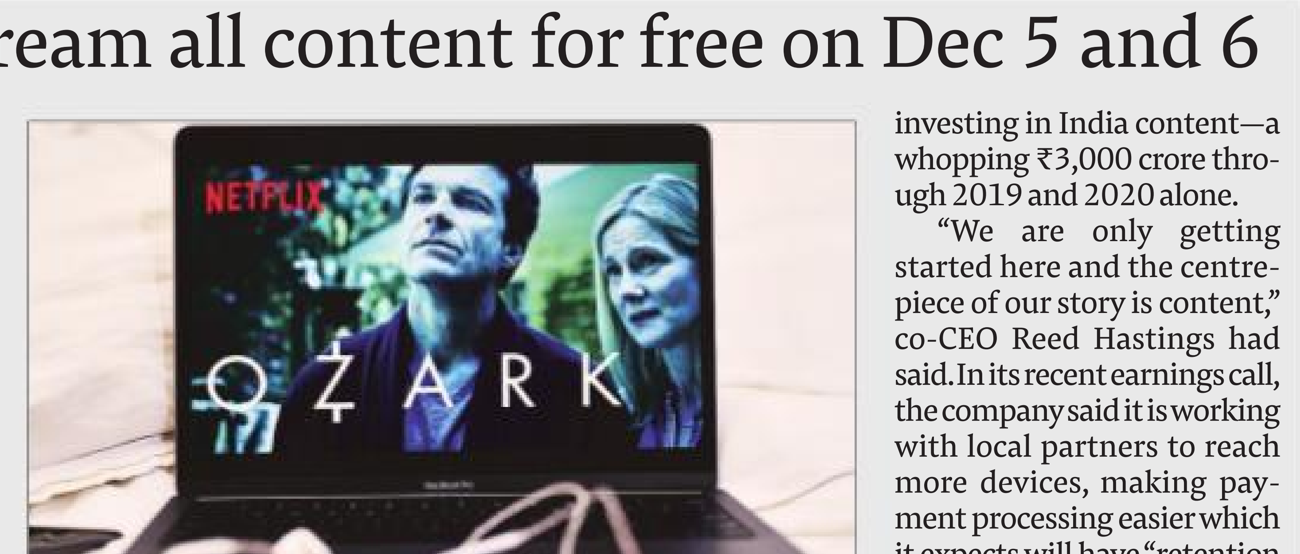
India's current installed capacity is around 140 mtpa. The country aspires to have 300 mt installed capacity by 2030-31. India's per capital steel consumption is still around a third of the global average.

During the first seven months of the current fiscal year (April-September), India's cumulative production of crude steel stood at 52.37 mt and finished steel at 47 mt, registering declines of 18.2% and 21.6%, respectively, on year.

Netflix to stream all content for free on Dec 5 and 6

Its competitors like Amazon Prime Videos, Hotstar and Zee5 offer their services at cheaper subscription rates, ranging between ₹99-299 a month and ₹999 annually.

While recent surveys have indicated Netflix to have a considerable following among the Indian youth, the time is ripe to expand its reach especially when rivals seem to be well ahead of the game.



Netflix has been heavily investing in India content—a whopping ₹3,000 crore through 2019 and 2020 alone.

"We are only getting started here and the centrepiece of our story is content," co-CEO Reed Hastings had said. In its recent earnings call, the company said it is working with local partners to reach more devices, making payment processing easier which it expects will have "retention benefits".

Labour welfare: Appointment letter, free annual health check-up must

Further, safety committees are proposed to be made mandatory for every establishment employing 500 or more workers to provide an opportunity for the workers to represent their concern on occupational safety and health matters.

As for payment of wages to contract labour, the contractor shall fix the wage periods and no wage period shall exceed one month. Also, the wages of every person employed as contract labour in an establishment or by the contactor shall be paid before the expiry of seventh day after the last day of the wage period. The wages shall be disbursed through bank transfer or electronic mode only.

The OSH Code, 2020, covers dock workers, building or other construction workers, mines workers, inter-state migrant worker, contract labour, working journalists, audio-visual workers and sales promotion employees.

The draft rules, to be kept open for suggestions from the stakeholders for the next 45 days before finalisation, proposes an all-India single licence for contractor supplying or engaging contract labour in more than one state for five years as against work order-based licensing system at present.

Rituparna Chakraborty, co-founder and executive vice-president, Teamlease, said, "Overall, the rules are practical and is balanced assigning clear accountabilities for all stakeholders involved – workers, employers and contractors."

The rules also propose that an employer will have to pay a lump sum amount on account of fare for to & fro journey to inter-state migrant worker by train, not less than II Class Sleeper, or by bus or any other mode of passenger transport from the place of employment to the place of residence in the home state in case he has worked for a period of not less than 180 days in the concerned establishment in preceding twelve months.

Women have been allowed to work in the night shift; but the employer will have to seek their consent and provide pick-up and drop facility at her residence for such employees; the workplace including passage towards conveniences or facilities concerning toilet, washrooms, drinking water, entry and exit of women employee should be well-lit and the toilet, washroom and drinking facilities should be near the workplace where such women employee are employed.

Immediately after taking over, the Modi 1.0 government embarked on amalgamating numerous central labour acts into four codes. The code on wages that universalises minimum wages was passed was passed last year and the draft rules under the code has also been notified.

Bharti's OneWeb takes off; eyes full commercial services by mid-2022

Broadband communications through satellites is provided by dropping a box in remote and hilly regions which creates Wi-Fi spots through which broadband services are provided.

"These are exciting times and the world now has a LEO alternative to work with. We look forward to partnering with those equally determined to enter this new space age. There is unmet demand around the globe for broadband connectivity and we intend to continue OneWeb's social mission. We will use our joint venture facility to drive down cost of service, opening new use cases for low latency broadband provision," Mittal said.

He said that approximately $1 billion remains to be raised and whether it would be through equity or debt remains to be decided. Mittal said that the new shareholders are confident that returns of leverage is easily achieved and places the company on historic lows and way below industry norms.

A consortium of Bharti Global, which is part of Bharti Enterprises, and the British Government had won an auction for OneWeb in July. The consortium has invested $1 billion into the company and will offer broadband connectivity services, via a constellation of 650 LEO satellites.

OneWeb will continue to be headquartered in the UK. The company had filed for Chapter 11 bankruptcy in March after its largest investor SoftBank had pulled out.

With the completion of the restructuring process, OneWeb also announced a new management with Mittal as the executive chairman and Neil Masterson as the chief executive officer. Two non-executive board members representing the UK Government which is currently going through its public recruitment process will be announced.

"Together with our UK Government as partners, we recognised that OneWeb has valuable global spectrum with priority rights, and we benefit from $3.3 billion invested to-date and from the satellites already in orbit, securing our usage rights," Mittal added.

UK secretary of state for business, energy and industrial strategy Alok Sharma said, "This strategic investment demonstrates Government's commitment to the UK's space sector in the long-term and our ambition to put Britain at the cutting edge of the latest advances in space technology."

Rice procurement: Fixed fee for arhatiyas seen to cut FCI's costs

Even though no notification has been issued on this change, it is seen as a major policy shift to have long-term impact on the economic costs of foodgrains purchased for the Central Pool stocks; the current year's rates are nearly at par with the commission paid earlier.

The arhatiya commission for wheat was fixed at ₹46/quintal, which turned out to be 2.4% of MSP during the rabi procurement season (April-June). The commission for paddy has now been fixed at ₹45.38/quintal for common variety and ₹45.88/quintal for grade A, both of which will be 2.4% of their respective MSPs.

Punjab and Haryana together contributed 40% of nearly 91 million tonne of foodgrains procured under MSP across the country in 2019-20 crop year (July-June).

"The decision will have a long term impact if the rate is not increased every year as under the earlier practice the arhatiya's commission was increasing along with MSP," said a former head of the FCI. Though state government fixes the arhatiya commission, the Centre can always tell a state how much it (Centre) can pay and there will be no tussle since a large quantity is procured by the FCI, he said, adding most other states have 1% arhatiya commission.

Punjab and Haryana are the only two states where the procurement continues to be wholly routed via APMC mandis. Both the states also maintain much higher level of taxes on agriculture trade, inflating the Centre's food subsidy outgo. The food subsidy is the difference amount between selling prices of rice and wheat through ration shops and their respective economic costs. There has been no change in the selling prices since 2013 – wheat at ₹2/kg and rice ₹3/kg under the National Food Security Act (NFSA). On the other hand, the economic costs of rice and wheat for 2020-21 are estimated at ₹37.27/kg and ₹26.84/kg, respectively.

Since the share of MSPs in the economic costs of wheat and rice is 69-72%, the government has been trying to lower the incidentals to reduce the overall costs.

Punjab levies an aggregate tax of 8.5% of the minimum support price at which the FCI and other agencies buy grains. This includes market fee 3%, rural development cess 3%, arthiya commission 2.5%. Haryana had an aggregate levy of 6.5% (market fee 2%, development cess 2%, arthiya commission 2.5%) until a month ago and it has reduced now to 3.5% (market fee 1% and arthiya commission 2.5%).

JLR seeks to block Porsche, Audi SUV imports in US

"JLR seeks to protect itself and its US operations from companies that have injected infringing products into the US market that incorporate, without any licence from JLR, technology developed by JLR and protected by its patent," Jaguar's lawyer, Matthew Moore, said in the filing.

Representatives of Volkswagen didn't immediately respond to emails seeking comment on the complaint.

Jaguar wants to block imports of Porsche's Cayenne; Lamborghini's Urus; Audi's Q8, Q7, Q5, A6 Allroad and e-tron vehicles; and VW's Tiguan vehicles. It said there are plenty of other luxury midsize SUV and compact crossover vehicles to meet consumer demand if the SUVs are banned from the US.

Still, the premium Porsche and Audi lines provide much of the profit VW is using to fund its investments in technology for electric vehicles, autonomous vehicles and further innovations.

In addition to the four brands, Volkswagen Group owns other upscale nameplates, including Bentley and Bugatti.

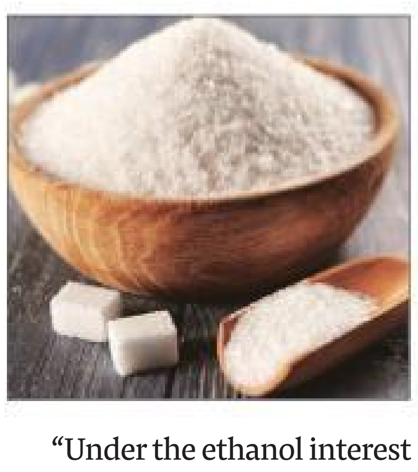
The International Trade Commission is an independent, quasi-judicial agency that investigates complaints of unfair trade practices, like patent infringement. It can't award damages but does have the power to block products from entering the US. Owners of patents and trade secrets like it because it can work faster than the federal district courts – the typical investigation is completed in 15 to 18 months.

But Jaguar also filed patent lawsuits against the companies in federal courts in Delaware and New Jersey, seeking cash compensation for the use of the technology. Those cases are likely to be put on hold once the trade commission launches its investigation.—**BLOOMBERG**

CENTRAL IN-PRINCIPLE NOD

185 sugar mills, distilleries sanctioned ₹12,500-cr loans

The loans are meant for capacity addition of about 468 crore litre of ethanol per annum



The move is aimed at boosting ethanol blending with petrol, which currently stands at nearly 5%. In the last two years, 70 ethanol projects were sanctioned loans of ₹3,600 crore

PRESS TRUST OF INDIA
New Delhi, November 20

THE FOOD MINISTRY on Friday said it had given in-principle approval to 185 sugar mills and stand-alone distilleries to avail ₹12,500 crore of loans for capacity addition of about 468 crore litre of ethanol per annum as part of its efforts to achieve 20% blending with petrol.

In the last two years, 70 ethanol projects were sanctioned loans of ₹3,600 crore.

Apart from promoting ethanol production from sugarcane, the ministry is making efforts to manufacture ethanol using surplus rice with state-owned FCI as well as maize. The move is aimed at boosting ethanol blending with petrol, which currently stands at nearly 5%.

"Under the ethanol interest subvention scheme for molasses-based distilleries, the government in September 2020 has opened a window for 30 days to invite more applications from sugar mills/ distilleries, which were examined by DFPD...

"about 185 applicants (85 sugar mills and 100 molasses-based stand-alone distilleries) are being granted in-principle approval for availing loan amount of ₹12,500 crore for capacity addition of about 468 crore litres per annum," the food ministry said in a statement.

These projects would be completed in another three-four years, thus help in achieving the desired blending target, it added. In the normal sugar season, about 320 lakh tonnes of sugar is produced against domestic consumption of 260 lakh tonnes.

This 60 lakh tonnes of surplus sugar which remains unsold, block funds of sugar mills to the tune of about ₹19,000 crore every year, thereby affecting liquidity positions of sugar mills resulting in accumulation of cane price arrears of farmers, the ministry said.

To deal with surplus sugar stocks, the government is providing financial assistance to mills for the export of sweetener. However, India being a developing country can export sugar by extending financial assistance for marketing and transport only up to 2023 in compliance with WTO arrangements, the statement said.

For long-term solution to deal with surplus sugar, the government has been encouraging diversion of excess sugarcane & sugar to ethanol for supplying to Oil Marketing Companies (OMCs) for blending with petrol. The move would not only reduce import dependency on crude oil but will also enhance the income of sugarcane farmers.

The ministry said the government had earlier fixed a target of 10% blending of fuel-grade ethanol with petrol by 2022 and 20% blending by 2030 but now it was preparing a plan to pre-pone achievement of 20% blending target.

The government is encouraging sugar mills, distilleries and entrepreneurs to set up new distilleries and to expand their existing distillation capacities.

It is extending financial assistance by way of interest subvention for five years at 6% maximum rate of interest against the loans availed by sugar mills/distilleries from banks for setting up their projects.

MNRE proposes 54 GW wind park scheme for states

FE BUREAU
New Delhi, November 20

MNRE will provide financial assistance of ₹20 lakh per MW to park developers for preparing the sites

TO ADDRESS THE land-related hassles in wind power projects, the Union ministry of new and renewable energy (MNRE) is planning a wind energy park development scheme.

As part of the same, states will prepare the necessary infrastructure for wind power project developers under the plug- and-play model. MNRE will provide financial assistance of ₹20 lakh per megawatt (MW) to park developers for preparing the sites — involving land, transmission connectivity and other necessary approvals — required for wind plant installations. The park developers will be designated by states.

MNRE proposed the scheme in a recently released concept note. Though auctions for solar and wind parks have traditionally been done by the central government agencies, MNRE noted that a number of such projects have been delayed due to hurdles over land availability, NoCs and transmission-related issues. MNRE has already identified potential wind park zones across Tamil Nadu, Andhra Pradesh, Karnataka, Gujarat, Rajasthan, Madhya Pradesh and Telangana, with a potential of about 54,000 MW (54 GW) of new wind plants under the scheme.

Wind plant now comprise about 43% of the total installed renewable energy capacity of 89 GW. Annual wind capacity addition has slowed down from 3.4 GW in FY16 to 2.1 GW in FY20. The total installed power generation capacity of the country is 373 GW, of which 62% are thermal power plants.

Wind power projects require scattered land, which increases power transmission costs as well as the possibility of land- related hurdles. Shifting the onus to states is considered as a means to smoothen the process. The policy also allows states to build wind-solar hybrid parks in the earmarked areas, if they choose to do so.

Though wind power spear-headed India's renewable energy growth until 2015, it has begun to lose its sheen, particularly its share in capacity additions. "In recent years, the sector has been plagued by weakening monsoons, land availability issues, financial weaknesses of discoms, with ensuing payment delays, and an increase in market risks," a recent report by the Climate Policy Initiative said.

Govt releases back-end code of Aarogya Setu

THE GOVERNMENT ON Friday released the back-end code of Aarogya Setu in the open domain that will help people understand the functioning of the Covid-19 contact-tracing app and allay apprehensions they may have around privacy and security.

The source code of the Android and iOS versions of the Aarogya Setu app was released earlier and the backend source code has been released in accordance with the government policy to share all code repositories with the developer community, the Ministry of Electronics and IT (MeitY) said in a statement. "Releasing back-end code will help people in understanding the complete functioning of the app. This will clear any doubt that they have regarding privacy and security of their data," a MeitY official explained.

MeitY has released the back-end code of Aarogya Setu on the OpenForge platform set up by the government to promote sharing and reuse of e-governance application source codes. Aarogya Setu was launched on April 2 with active involvement of the best of the minds from the Indian industry, academia and government, it said. **—PTI**

'Govt-society-pvt sector union can fight Covid'

FE BUREAU
New Delhi, November 20

UNION COMMERCE & industry, railways and consumer affairs minister Piyush Goyal, on Friday, stressed the need for collective responsibility and strong partnership among government, private sector and society in battling the Covid-19 pandemic, ensuring last-mile connectivity and effective distribution of the vaccine to India's 1.3 billion population at an affordable cost.

Addressing the valedictory session of the 'Asia Health' summit, organised in a virtual format by the Confederation of Indian Industry (CII), Goyal pointed out that the task of creating a better future for all, especially for children, had to be undertaken collectively.

"It cannot be just left to the government and private sector. All of us, working as one, for a common purpose, will help us survive, adapt and overcome the serious pandemic that the whole world is facing," Goyal said.

Goyal admitted that the enormity of the pandemic and scale at which the country is fighting it has underscored many shortcomings and issues that need urgent attention.

He also highlighted the challenges at the time of imposition of the nationwide lockdown in March, with regard to preparedness by the country in fighting the pandemic, availability of PPE kits, possibilities of running out of oxygen and inadequacies of testing facilities. However, India's move for an early and stringent lockdown — as globally recognised — has successfully helped save many lives, keep mortality rates low and prevent its spread in the villages, Goyal said, adding that Atmanirbhar Bharat was key to India's self-reliance and becoming health provider for the rest of the world.

CBI, I-T find bureaucratic, political nexus in illegal coal mining

FE BUREAU
Kolkata, November 20

THE INCOME TAX (I-T) department and the CBI have found nexus of certain bureaucrats, Eastern Coalfields officials and some politicians in allowing illegal coal mining, tightening the noose around those involved in these operations.

A highly placed CBI official told FE that there are orders from the home ministry to stop the flow of political funding from illegal sources, which has prompted both the I-T department and the CBI to take actions against the illegal miners.

Illegal coal mining, carried out in the abandoned mines of the Eastern Coalfields in the Salanpur, Pandebeswar, Kajora, Sripur, JK Nagar, Kurustoria, Khaskenda, Neokonda, Harishpur and Haripur areas, has been estimated to be a thriving business of around ₹800 -1000 crore. Although ECL has done GPS fencing in all its operational mines and every truck leaving, loaded with coal, is fitted with GPS tracking system, illegal activities continue by digging rat holes putting miners' lives at great risks, the CBI official said.

Generally tunnels are dug far from the mines and miners have to get into deep seams to get coal since ECL has already abandoned those mines after extracting coal from the upper seams.

Coal from such mines are generally of high quality and it caters to the need of more than 250 small and big sponge-iron units in the Durgapur-Asansol belt, supporting livelihood of at least a million people.

The I-T department, after raiding the office of Anup Majhee — the current kingpin of illegal coal mining — at Nituria in Purulia a few weeks ago, had established his links with cross-border cow smuggling. Accordingly the CBI nabbed the cattle smuggling king pins, Enamul Haque and Anarul Seikh followed by the arrest of Satish Kumar, a BSF commandant, alleged to have facilitated cattle smuggling.

A CBI source said there had been traces of money from illegal mining channeled to the bank accounts of some IPS officers' family. Around ₹80 crore per month goes into political funding.

Although the CBI has not been able to arrest Majhee yet, it is in search of six more people whose links have been traced with illegal coal mining from the files seized from Majhee's office.

Babul Supriyo, minister of state for environment and forestry, alleged that since the Central Industrial Security Force (CISF), which guards the ECL mines, have no power to arrest and have to hand over the seized dumpers loaded with illegal coal to the police, the police helps them get away, with the state government absolutely overlooking it.

OIL launches seismic drive in Mahanadi

STATE-OWNED OIL India Ltd (OIL) on Friday launched a ₹220-crore seismic campaign to locate oil and gas in the Mahanadi basin in Odisha, as it is boosting the country's hydrocarbon resource base. Oil minister Dharmendra Pradhan inaugurated the seismic survey campaign at Kakatpur in Puri District (Odisha), the company said in a statement. **–PTI**

Companies

SATURDAY, NOVEMBER 21, 2020

INDIAN TALENT

Amit Agarwal, global senior V-P & India head, Amazon

"Indian talent today touches almost every part of Amazon's global offerings. Bengaluru is at the heart of technology and innovation, and we have certainly been privileged to work with some of the brightest and most talented IT professionals."

Quick View

L&T Tech to support Amazon Alexa integration in devices

L&T TECHNOLOGY Services (LTTS) on Friday said it will support Amazon Alexa Voice Service (AVS) integration in various connected devices spanning multiple domains and industries. Alexa, Amazon's cloud-based voice service, is available on devices from both Amazon and third-party manufacturers and powers connected devices.

Samsung sets up innovation lab at IIT-Jodhpur

AN INNOVATION lab of Samsung was inaugurated at IIT-Jodhpur in Rajasthan at an online event on Friday. The event was inaugurated by Ajay Prakash Sawhney, secretary of the ministry of electronics and information technology. Among the present at the virtual event were Kaushik Saha, chief technology officer, Samsung R&D Institute India; and Deokho Kim, MD and CVP, Samsung Research and Development Institute.

ATP, Infosys renew digital tie-up for 3 more years

INFOSYS AND the ATP on Friday announced the renewal of their partnership for a further three years. The agreement will see Infosys continue as global technology services partner and digital innovation partner of the ATP, through 2023, the Bengaluru-headquartered IT major said in a statement.

Kalpataru to invest ₹350 cr to build flats in Mumbai

REALTY FIRM Kalpataru will invest ₹350 crore over the next three years to develop a premium housing project in Mumbai as it sees revival in demand supported by lower home loan interest rates and property prices. Kalpataru, which is part of diversified business house Kalpataru group, on Friday said it has started the second phase of its housing project 'Kalpataru Vienta' in Kandivali (East), Mumbai.

Piramal Ent appoints Anjali Bansal independent director

PIRAMAL ENTERPRISES (PEL) on Friday announced the appointment of Anjali Bansal, founder and chairperson of Avaana Group, as independent director to its board. Her appointment is with effect from November 19, 2020, the company said in a statement.

SunSource bags Andaman & Nicobar projects

SUNSOURCE ENERGY on Friday said it has won an order to develop a 4 MW floating solar project and a 2 MW battery storage system in Andaman and Nicobar. SunSource Energy, a leading distributed solar energy company, will develop a 4 MWac grid connected floating solar PV power project, along with 2 MW/1 MWh Battery Energy Storage System (BESS), a company statement said.

KTM launches KTM 250 Adventure bike

KTM, PART of the Bajaj Auto group, on Friday launched KTM 250 Adventure model priced at ₹2,48,256 (ex-showroom Delhi). Bookings of the KTM 250 Adventure have commenced at KTM showrooms across the country from Friday, the company said in a statement.

Hero CoLabs to roll out various initiatives

TWO-WHEELER market leader Hero MotoCorp on Friday said it will roll out initiatives across the year focusing on various aspects of business operations on its 'collaborative' platform — Hero CoLabs, after enhancing it into a crowd-sourcing platform. In April this year, the company had launched 'Hero CoLabs — The Design Challenge' which received over 10,000 registrations.

COVID AFTERMATH

No expansion, OYO to focus on 5 core markets, says group CEO

PRESS TRUST OF INDIA
New Delhi, November 20

HOSPITALITY FIRM OYO Hotels and Homes plans to focus on its five core markets — India, Southeast Asia, Northern Europe, China and the US — and not expand to new markets in the aftermath of the Covid-19 pandemic, a top company official said.

The company, which saw its gross margins fall sharply after the outbreak of Covid-19, said its gross margins are now back to 85% of the pre-pandemic levels.

"Crisis brings clarity. For us, the clarity that this (Covid-19 pandemic) has brought is that we have clear visibility...we operate in around 80 countries...our core three regions where we are market leaders or market leading in are India, Southeast Asia and Northern Europe and two markets where we are becoming clear challengers are China and the US. These are the five focussed markets we are going after.

"Within these, our aspiration is wherever we are market leading or market leaders, we want to expand our lead by going deeper rather than broader. In markets such as the US, China, we want to continuously improve our products and services to win market share. We are broad enough to not have to expand any more," OYO founder and group CEO Ritesh Agarwal said at Ficci Global Young Leaders Summit.

Currently the focus is to make sure that the company consolidates gains and goes deeper in geographies where the group has market leadership or the challenger status, he added. Agarwal said the company saw its gross margins dollars fall by upwards of 66% in April versus January and it had to take several tough decisions including letting go of many employees.

"We are now back to 85% of pre-Covid levels in gross margins dollars, still 15% down, we are not fully out of the woods yet...clearly we are in much better condition than we were in April," he added. Agarwal said he has been through much more challenging times and the crisis caused by the Covid-19 pandemic does not scare him.

"When you have $1-billion cash in your bank, you have thousands of OYOpreneurs willing to fight and see through this crisis together, you have a consumer ecosystem of 100 million users...Pandemic may feel like a big challenge but that is not as big as when you have one week of cash left when you are starting your company...that is every week of survival you are fighting for....These days don't scare me as much," Agarwal said.

OYO's group CEO Ritesh Agarwal

AMAZON FEUD

Future-RIL deal gets CCI nod

Amazon, which has an indirect minority stake in Future Retail, alleges the deal breached its pre-existing contract

FE BUREAU
New Delhi, November 20

DESPITE AMAZON HAVING lodged requests with Indian regulators to take note of an interim stay awarded by the Singapore International Arbitration Centre (SIAC) on the Future Group-Reliance Industries deal, the Competition Commission (CCI) on Friday approved the ₹24,713-crore transaction the companies had signed in August.

"Commission approves acquisition of retail, wholesale, logistics & warehousing businesses of Future Group by Reliance Retail Ventures Limited and Reliance Retail and Fashion Lifestyle Limited," CCI said in a tweet.

Amazon, which acquired an indirect minority stake in Future Retail (FRL) last year, has alleged that Future's sale of its businesses to Reliance breached its pre-existing contract, which including a right of the first offer and a non-compete clause.

Last month, SIAC restrained FRL and its founders from going ahead with the sale until a final decision was given. Subsequently, Amazon wrote to Sebi, the stock exchanges and the CCI, urging them to take into consideration the Singapore arbitrator's interim decision as it is a binding order.

Future Retail moved the Delhi High Court earlier this month seeking necessary relief against Amazon from interfering with the transaction by misusing an interim order issued by an emergency arbitrator, appointed by SIAC.

Senior advocate Harish Salve, appearing for FRL, told the court that the US-based company is trying to mislead the Indian authorities by giving the impression that the Singapore arbitration award is legally binding while it is not. FRL said the e-commerce firm was misrepresenting its legal rights and behaving like "East India Company". Amazon on its part argued that Indian law grants sanctity to international arbitration orders if the parties were willing participants.

The case is currently being heard in the Delhi High Court, which on Friday reserved its order. Justice Mukta Gupta heard arguments for five days and asked the parties to give written submissions, if any, by November 23.

A Singapore arbitration centre last month restrained FRL from going ahead with the sale until a final decision was given, after which Amazon wrote to Sebi, the exchanges and CCI

Ashok Leyland launches VRS for executive cadre; 5,700 eligible

SAJAN C KUMAR
Chennai, November 20

IN AN ATTEMPT at pruning its workforce, Ashok Leyland (ALL) on Friday announced a voluntary retirement scheme (VRS) for its executive cadre, making 5,700 eligible to opt for the plan. Executives who have completed as little as one year can opt for the VRS.

NV Balachandar, president, HR, CSR and communication, ALL, told *FE* the objective of the VRS is to scale down the team, bring in efficiency and ensure executives do more value-added work. "This time we have kept it eligible for all executive employees who have completed at least a year of service. Normally, we look at high-tenured employees, but this time we have spread it across, so that even people who have completed few years of service can avail the VRS," he said.

As per the scheme, except shop-floor employees, all categories of employees can opt for the package. Refusing to divulge the contours of the VRS package and the total outgo, he said it will be linked to the number of years the employees had put in.

ALL has a total of 11,643 permanent employees on its rolls as per its annual report 2020. The company had run a VRS two years ago.

Balachandar said the scheme will help the company create a more cost-effective and efficient organisational structure. The current landscape of the global pandemic provides scope for people to pursue flexible career opportunities and this will provide a window for the same. There have been many requests from the employees for early retirement, and this scheme provides them with a viable exit, he said.

The VRS will be implemented over a period of nine months at the company's offices and factory locations.

Meanwhile, ALL informed the stock exchanges that it has incorporated a company called Vishwa Buses and Coaches (VBCL) to carry on the business of bus body and coaches building with an authorised and paid-up share capital of ₹60 crore.

Besides, the company said consequent to the conversion of loans by Hinduja Automotive, UK, into equity shares in Optare PLC, its British bus-making subsidiary, ALL's stake in Optare stands reduced from 99.24% to 91.63%.

The company recently said its Hosur plant, which primarily makes light commercial vehicles (LCVs), has come back to the pre-Covid levels. With demand getting increased month-on-month, the plant's capacity utilisation would go upwards of 90% soon. The other plants at Ennore and Pant Nagar that cater to the M&HCV segment have also been getting to higher utilisation levels but at a slower pace.

Festive sale: Artisans under Flipkart's Samarth saw 2.5x rise

WALMART-OWNED FLIPKART on Friday said artisans, who are part of its Samarth programme and participated during its annual festive sale saw a 2.5x increase in sales compared with their usual non-festive sale days.

The e-commerce major said through the Flipkart Samarth, it has been able to impact over 7 lakh livelihoods.

"Over the last year, Flipkart Samarth saw a 12x growth in the number of partners who joined the programme. These artisans, who became part of Flipkart's annual festive season sale this year, saw a 2.5x increase in comparison to their usual non-festive sale days," a statement said.

Flipkart had hosted its annual 'Big Billion Day' sale from October 16-21, and continued to offer deals to woo customers during the festive season.

The company said 'Samarth' programme is designed with the intention of democratising e-commerce and building a sustainable and inclusive platform for under-served, domestic communities to empower them with greater opportunities and better livelihood.

Through the initiative, Flipkart's aim is to provide greater visibility to the Made-in-India products on its platform. —PTI

IPL viewership up 23% in pandemic year; breaches 400-bn minute mark

FE BUREAU
Mumbai, November 20

THE 2020 EDITION of the Indian Premier League (IPL) recorded a 23% jump in viewership over 2019. According to Barc India, the tournament registered 405 million viewers and a total of 400 billion viewing minutes on television.

As per Barc India, this is the first sports tournament to breach the milestone of 400 billion viewing minutes. The tournament surpassed the previous record held by the 2019 cricket (ODI) World Cup, which garnered 344 billion viewing minutes on television.

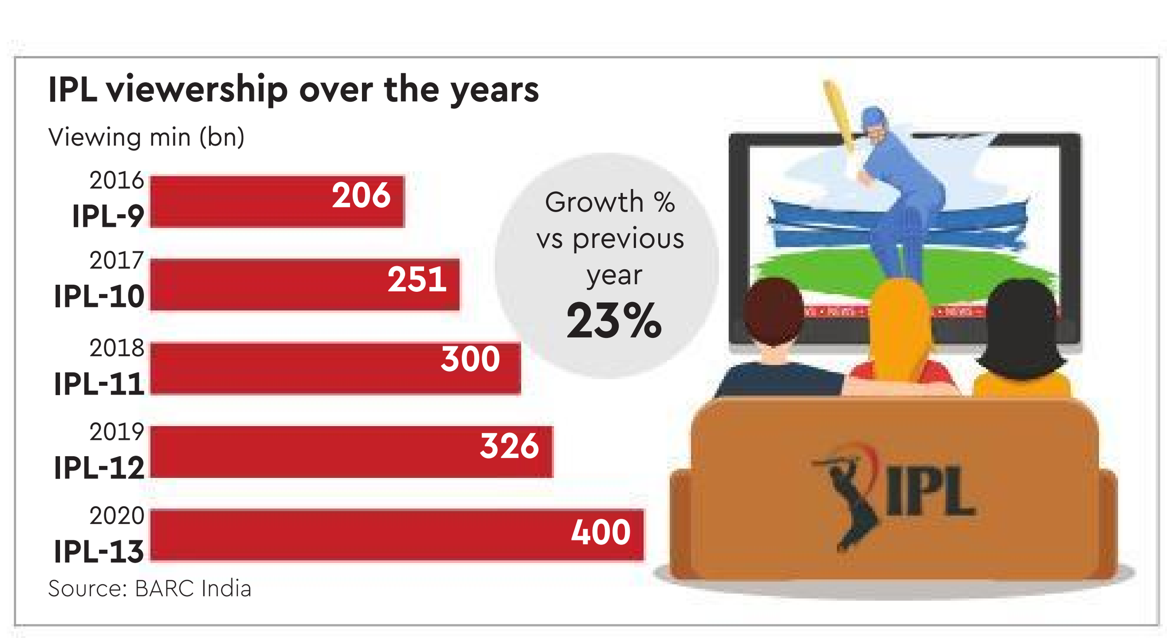
This year, IPL was telecast in five regional languages: Hindi, Tamil, Telugu, Bangla and Kannada. According to Star Sports, viewership of the regional telecast "contributed immensely to the increased viewership growth of Dream11 IPL 2020"

The viewership of the Star Sports south channels alone increased by 28% over last year.

Amid the pandemic, when brands held on tightly to their advertising budgets, this season of IPL had a total of 18 sponsors and 114 advertisers. The broadcaster anticipated the viewership to be higher than normal this year and did not reduce the ad rates when it began selling advertising inventory. The individual ad rate for IPL was set at ₹12-13 lakh per 10 seconds.

Industry insiders estimate that the advertising revenue from this season of IPL has exceeded the target of ₹3,000 crore. In 2019, the broadcaster is said to have earned about ₹2,200 crore in advertising revenue.

IPL 2020 was originally meant to start on March 29 this year, but BCCI had to postpone it and then move the tournament to the UAE, where it was played sans audience because of the Covid-19 pandemic. The tournament eventually began on September 19 and coincided with the festive season, drawing strong advertising revenue.



Outstanding loan: L&T Finance invokes shares of 3 Essel firms

PRESS TRUST OF INDIA
New Delhi, November 20

L&T FINANCE HAS invoked shares of three Essel Group companies — Zee Media Corporation, Zee Learn and Siti Network — and appropriated them against loan outstanding amount.

As per regulatory filings, L&T Finance invoked and appropriated against loan outstanding amount 1.24 crore shares constituting 2.65% stake of Zee Media Corporation on November 18.

L&T Finance also invoked and appropriated against loan outstanding amount 96.02 lakh shares constituting 2.94% stake of Zee Learn on November 18.

In a separate filing, L&T Finance said it has invoked and appropriated against loan outstanding amount 5.73 crore shares constituting a 6.58% stake of Siti Networks on November 18.

Another Larsen and Toubro (L&T) group firm L&T Infrastructures Finance Company said it has acquired through off-market transfer from security trustee and appropriated against loan outstanding amount 1.29 crore shares constituting a 2.74% stake of Zee Media Corp on November 18.

Zee Media Corporation (formerly Zee News) is a news network with 10 news channels in six different languages.

As per BSE data, on quarter ended September 30, 2020, shareholding of promoter and promoter group company in Zee Media Corp stood at 25.85%, of which 99.65% stake is pledged or encumbered.

Essel Group sells cruise business to Sant Chatwal co

November 20: The Zee Group has exited its fledgling cruise business and sold the cruise line brand Jalesh Cruises to Waterways Leisure for an undisclosed sum. Zee was running the business under Zen Cruises, which as India's general sales agent for Jalesh Cruises of Mauritius, according to a statement. Waterways Leisure is part of the US-based NRI Sant Chatwal-promoted Dreams Hotel Group. —PTI

IOC to set up solar-power based charging stations for e-vehicles

INDIAN OIL WILL set up solar-power based electric vehicle (EV) charging stations following its successful study on a "proof of concept" on "zero emission electric mobility", a concept that allows the EV to charge using solar power.

The EV charging system has been designed by Hygge Energy, a start-up incubated by Tech Mahindra, and has three main features — EVs charged with solar power, no upgrades required in grid infrastructure, and improved grid resilience, especially in remote areas.

The technology enables intelligent EV charging using hybrid microgrids, created by integrating existing grid infrastructure with solar PV batteries.

Indian Oil executive director (retail sales) Vigyan Kumar said as a part of Indian Oil's foray into alternative energy, the company has already set up 54 battery charging/swapping stations for EVs in partnership with various companies. "We have taken a minority stake in Phinergy of Israel to set up aluminium-air battery manufacturing facility in India for electric vehicles & stationary applications," he added.

—FE BUREAU/KOLKATA

Hyundai says new i20 got 20k bookings in 20 days

FE BUREAU
Chennai, November 20

HYUNDAI MOTOR INDIA (HMIL) on Friday announced an overwhelming initial response for its newly launched fourth-generation premium compact i20, garnering 20,000 bookings in 20 days and making over 4,000 deliveries during the Diwali season.

Tarun Garg, director, sales, marketing & service, HMIL, said, "We have received an overwhelming response to the all-new i20 with 20,000 bookings in 20 days and more than 4,000 customers having taken delivery of this latest blockbuster product from us during Diwali season. As the foremost premium hatchback in India, more than 85% customers have opted for Sportz and above trims, showcasing a strong demand for advanced technologies offered on the new i20".

He said nearly 45% customers preferred variants enabled with the already established BlueLink technology. Sunroof continues to be a customer favourite with close to 30% bookings made for models with this particular feature. Similarly, in line with the needs of the current environment, 35% customers have opted for models with Oxyboost air purifier.

"Our new and advanced transmission offerings have received a strong traction from 25% of the customers and to top it all almost 20% of them have opted for our powerful and efficient 1.5 l U2 CRDi BS6 powertrain," Garg said.

More than 4,000 customers have taken delivery of the car during the Diwali season; sales show a strong demand for advanced technologies, the company said

Industrial And Prudential Investment Company Limited
Registered Office: 8/1/B Diamond Harbour Road, Kolkata 700 027
CIN: L65990WB1913PLC218486
Telephone no 033 4013 3000 , E mail : contact@industrialprudential.com
Website: www.industrialprudential.com

POSTAL BALLOT NOTICE

Notice is hereby given pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 ("the Rules"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") including any statutory modification(s) or re-enactment(s) thereof for the time being in force, Ministry of Corporate Affairs ("MCA") General Circular nos. 14/2020,17/2020 and 33/2020 dated April 8, 2020, April 13, 2020 and September 28, 2020 respectively (collectively referred to as "MCA Circulars") and subject to other applicable laws and regulations, that the approval of Members is being sought by way of Postal Ballot through remote e-voting for:

a. Approval for cancellation of forfeited shares and subsequent transfer of Forfeited Share account to Capital Reserve
b. Approval for Buyback of Equity Shares

The Postal Ballot Notice ("Notice") has been sent on Thursday, November 19, 2020, through electronic mode only, to those Members whose e-mail ID'S are registered with the Company/Link Intime India Private Limited ("RTA")/ Depositories as on Thursday, November 12, 2020 ("cut-off date"). The requirement of sending physical copies of the Notice has been dispensed with vide the MCA circulars.

Manner of registering email ID, Mobile Number and Bank Account details:

a. Shareholders holding shares in Physical Mode: Register/ update their email ID, Mobile number and Bank Account details by sending a request letter duly signed by the Shareholder(s) mentioning the Name of the Company, Folio number, Bank Account Details, self-attested copy of PAN card and cancelled cheque leaf. In case the cancelled cheque leaf does not bear the Share holders name, please attach a copy of the bank passbook statement, duly self-attested to the Company at contact@industrialprudential.com or the RTA at rnt.helpdesk@linkintime.co.in.
b. Shareholders holding shares in Dematerialised Mode: Register/ update their email ID, Mobile number and Bank Account details with their respective Depository Participant.

The e-copy of the Notice is also available on the website of the:

a) Company at www.industrialprudential.com;

b) Stock Exchange i.e. BSE Limited ('BSE') at www.bseindia.com; and

c) RTA at https://instavote.linkintime.co.in

In terms of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 ("the Rules"), as amended, and Regulation 44 of the Listing Regulations & Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, the Company is pleased to provide its Members with the facility to exercise their right to vote on the resolutions proposed to be passed by Postal Ballot through remote e-voting.

The Company has engaged the services of the RTA for providing the e-voting facility for remote e-voting.

All documents referred to in the Notice will be available for electronic inspection without any fee by the Members from the date of dispatch of the Notice up to Sunday, December 20,2020. Members seeking to inspect such documents can send an email to the Company Secretary at contact@industrialprudential.com.

Mr. Mayur Mehta (holding Membership No. ACS 3132), Practicing Company Secretary, has been appointed by the Company as the scrutinizer for conducting the entire e-voting process in a fair and transparent manner.

The Members are requested to note the e-voting instructions as follows:

(a) The Notice is being sent to the shareholders of the Company whose names appear on the Register of Members/List of Beneficial Owners as received from the Depositories as on cut-off date. A person who is not a member as on the cut-off date should treat this notice for information purposes only.

(b) A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date shall be entitled to vote on the Resolutions set forth in the Notice.

(c) The remote e-voting period will commence on Saturday, November 21, 2020 at 9.00 a.m. and end on Sunday, December 20, 2020 at 5.00 p.m. The remote e-voting shall be disabled for voting thereafter by the RTA.

(d) During this period, Members of the Company as on cut-off date holding shares in physical or in dematerialised form, may cast their votes through remote e-voting. Once the vote on a resolution is cast by the Member, the same cannot be modified subsequently by such Member.

(e) In case the Members have any queries or issues regarding the e-voting facility they may refer to the frequently asked questions and e-voting manual available at https://instavote.linkintime.co.in (under help section) or contact Mr. Rajiv Ranjan at telephone no. 022-4918 6000 or write an e-mail to enotices@linkintime.co.in or contact@industrialprudential.com.

The Scrutinizer will submit his report to the Chairman as nominated by the Board for this purpose after completion of scrutiny of the remote e-voting. The results shall be declared on or before Tuesday, December 22, 2020 and will be displayed alongwith the Scrutiniser's Report on the website of the Company i.e. www.industrialprudential.com, RTA i.e. https://instavote.linkintime.co.in; and Stock Exchange i.e. BSE Limited at www.bseindia.com.

Members are requested to carefully read all the Notes set out in the Notice and in particular the procedure of casting votet hrough remote e-voting.

For Industrial & Prudential Investment Company Limited
Ayan Datta
Company Secretary

Date: 20/11/2020
Place: Kolkata

APM TERMINALS Lifting Global Trade.

Gujarat Pipavav Port Limited

Regd. Office: Pipavav Port, At Post Rampara-2 via Rajula, Dist. Amreli Gujarat-365560
CIN: L63010GJ1992PLC018106 **Tel:** 02794 242400 **Fax:** 02794 242413
Website: www.pipavav.com **Email:** investorrelationinppv@apmterminals.com

NOTICE TO THE SHAREHOLDERS

Notice is hereby given, pursuant to Section 110 of the Companies Act, 2013 ('the Act') read with Rule 22 of the Companies (Management and Administration) Rules, 2014 ('the Rules') that Gujarat Pipavav Port Limited ('the Company'), has on 20th November 2020 completed sending emails through KFin Technologies Private Limited (the Registrar and Share Transfer Agents/ KFintech) along with the details of Login ID and Password to the members whose email id is registered with the Depositories or with the Company, for seeking Shareholders' approval for the following resolutions:

(i) Appointment of Mr. Samir Chaturvedi (DIN: 08911552) as an Independent Director for a period of five consecutive years commencing from 12th November 2020 to 11th November 2025

(ii) Appointment of Mr. Soren Brandt (DIN: 00270435) as Director of the Company

(iii) Appointment of Mr. Maarten Degryse (DIN: 08925380) as Director of the Company

Pursuant to Section 110 of the Companies Act, 2013 ('the Act') and Rule 22 of the Companies (Management and Administration) Rules, 2014, as amended from time to time read with General Circular no. 17/2020 dated 13th April 2020 and no. 33/2020 dated 28th September 2020 issued by Ministry of Corporate Affairs and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 issued by the Securities and Exchange Board of India (SEBI), the resolutions are proposed to be passed by way of Remote E-voting only by the Members of the Company. The Ministry of Corporate Affairs and SEBI vide circulars mentioned above have dispensed with the requirement for issuing the hard copies of documents for passing of Ordinary and Special Resolutions by the Members, on account of the threat posed by Covid-19 crisis.

Pursuant to the aforesaid Circulars issued by Ministry of Corporate Affairs, the Company has sent Postal Ballot Notice in Electronic form only and hard copy of Postal Ballot Notice along with Postal Ballot Forms and pre-paid business envelope will not be sent to the Members for this Postal Ballot. Members who have not registered their email address and in consequence the e-voting notice could not be serviced may temporarily get their email address registered with KFintech for Remote E-voting on the proposed resolutions. The Company has made arrangement for registration of Email ID by the Members. Those Members can visit https://ris.kfintech.com/clientservices/postalballot/ to provide their Email ID and they would get an email with the link to participate in the E-voting.

Post successful registration of the email, the Member would get soft copy of the notice and the procedure for e-voting along with the User ID and Password to enable remote e-voting for this Postal Ballot. In case of any queries, member may write to einward.ris@kfintech.com The said notice of Postal Ballot is also placed on the website of the Company www.pipavav.com

The Board of the Directors of the Company has appointed Mr. Himanshu S. Kamdar (Membership No. 5171) and in his absence Mr. Jayesh M. Shah, (Membership No. 5637) Partners, M/s. Rathi & Associates, Practicing Company Secretaries, to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer, after completion of scrutiny of the votes received, will submit his report to the Company Secretary in writing. The results of the said voting will be declared in accordance with the provisions of Section 110 of the Act read with Rule 22 of the Companies (Management and Administration) Rules, 2014 by 23rd December 2020. The results of Postal Ballot will be displayed on the Company's website www.pipavav.com and will be submitted to National Stock Exchange of India Limited (NSE) and BSE Limited (BSE), where the Equity Shares of the Company are listed.

As required under Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and Rule 22 of the Rules, the Company has engaged the services of KFin Technologies Private Limited to provide Remote E-voting facility to the Members of the Company.

The voting rights of Members shall be reckoned on the paid-up value of shares registered in the name of the member(s) on 13th November 2020 (cut-off date) and the notice has been sent to Members by email (to those members who have registered their email ids), whose names appear in the Register of Members/Beneficial Owners on that date.

Members are requested to note that they can cast their vote online commencing from 9.00 am on 22nd November 2020, till 5.00 p.m. on 21st December 2020. Please note that the e-voting module will be disabled for voting thereafter.

Contact details of the person responsible to address the grievances connected with the electronic voting are: Ms C. Shobha Anand, Dy General Manager, Contact no: 040- 67162222 at KFin Technologies Private Limited [Unit: Gujarat Pipavav Port Limited] Selenium Building Tower B, Plot No. 31& 32, Gachibowli, Financial District, Nanakramguda, Hyderabad- 500032, Telangana State, India.

For and on behalf of the Board
Manish Agnihotri
Company Secretary
ACS No. 12045

Place: Mumbai
Date : 20th November 2020

COSMO FILMS Engineered to Enhance

COSMO FILMS LIMITED

CIN: L92114DL1976PLC008355
Regd. & Corp. Off: 1008, DLF Tower-A, Jasola District Centre, New Delhi-110025, INDIA
Tel: 011-49494949, Fax: 011-49494950, E-mail: investor.relations@cosmofilms.com, Website: www.cosmofilms.com
Company Secretary & Compliance Officer: Ms. Jyoti Dixit

FOR ATTENTION OF THE ELIGIBLE SHAREHOLDERS OF COSMO FILMS LIMITED

OFFER TO BUYBACK UP TO 12,67,361 (TWELVE LAKHS SIXTY SEVEN THOUSAND THREE HUNDRED AND SIXTY ONE) FULLY PAID-UP EQUITY SHARES OF COSMO FILMS LIMITED (THE "COMPANY") OF FACE VALUE OF INR 10 EACH ("EQUITY SHARES"), REPRESENTING 6.52% OF THE ISSUED, SUBSCRIBED AND PAID-UP EQUITY SHARES OF THE COMPANY, FROM ALL ELIGIBLE SHAREHOLDERS AS ON THE RECORD DATE, I.E., MONDAY, NOVEMBER 9, 2020 ON A PROPORTIONATE BASIS, THROUGH THE 'TENDER OFFER' PROCESS, AT A PRICE OF INR 576 (INDIAN RUPEES FIVE HUNDRED SEVENTY SIX ONLY) PER EQUITY SHARE, PAYABLE IN CASH, FOR AN AGGREGATE MAXIMUM AMOUNT NOT EXCEEDING INR 73,00,00,000 (INDIAN RUPEES SEVENTY THREE CRORES ONLY) EXCLUDING THE TRANSACTION COSTS ("BUYBACK").

Unless otherwise defined, capitalised terms used but not defined in this advertisement shall have the meaning assigned to such terms in the Letter of Offer.

This advertisement ("**Advertisement**") is being issued by the Company pursuant to and in compliance with the circular issued by SEBI vide circular no. SEBI/CIR/CFD/DCR1/CIR/P/2020/83 dated May 14, 2020 read with SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2020/139 dated July 27, 2020 (the "**Relaxation Circulars**"). This is to be read together with:

1. the Public Announcement dated Tuesday, October 27, 2020 published on Wednesday, October 28, 2020; and
2. the Letter of Offer dated Thursday, November 19, 2020.

The Public Announcement was published in the following newspapers:

Name of the Newspaper	Language	Editions
Business Standard	English	All Edition
Business Standard	Hindi	All editions (Hindi also being the regional language where the registered office of the Company is situated)

A. COMPLETION OF DISPATCH

In terms of the Relaxation Circulars and in light of the COVID-19 situation, the Letter of Offer along with Tender Form has been electronically dispatched to all the Eligible Shareholders holding Equity Shares as on the Record Date i.e. Monday, November 9, 2020 and whose email ids have been registered with Company/ as downloaded from depositories. The Company will not undertake any physical dispatch of the Letter of Offer and Tender Form in compliance with the Relaxation Circulars.

B. AVAILABILITY OF LETTER OF OFFER AND TENDER FORM

An Eligible Shareholder may access the Letter of Offer along with the Tender Form, on the website of the Company (www.cosmofilms.com), the Registrar to the Buyback (www.linkintime.co.in), the Stock Exchanges i.e. NSE (www.nseindia.com), BSE (www.bseindia.com) and the Manager to the Buyback (www.rathi.com). Eligible Shareholder who have not registered their email ids with the depositories/ the Company, and who want to know their entitlement can do so by accessing the website of the Registrar at (https://www.linkintime.co.in/Offer/Default.aspx). Further, in case of non-receipt of Letter of Offer, the application can be made on a plain paper in writing signed by the Eligible Shareholders during the Tendering Period, i.e. from Friday, November 27, 2020 to Friday, December 11, 2020. For detailed procedure for tendering Equity Shares and settlement, please refer to section titled "*Procedure for Tender Offer and Settlement*" on Page 44 of Letter of Offer.

C. BRIEF SCHEDULE OF ACTIVITIES

The schedule of major activities is set forth below:

Sl. No.	Activity	Schedule of Activities	
		Day	Date
1.	Buyback Opening Date	Friday	November, 27, 2020
2.	Buyback Closing Date	Friday	December 11, 2020
3.	Last date of receipt of completed Tender Forms and other specified documents including Physical Share certificates (if and as applicable) by the Registrar	Tuesday	December 15, 2020
4.	Last date of verification of Tender Forms by Registrar	Wednesday	December 16, 2020
5.	Last date of intimation to the Stock Exchange regarding Acceptance/ non-acceptance of the tendered Equity Shares by the Registrar	Monday	December 21, 2020
6.	Last date of completion of settlement by the Clearing Corporation of the Stock Exchanges	Tuesday	December 22, 2020
7.	Last date of dispatch of share certificate(s) by the Registrar/ payment to Eligible Shareholder/ return of unaccepted shares to Eligible Shareholders	Tuesday	December 22, 2020
8.	Last date of extinguishment of the Equity Shares bought Back	Tuesday	December 29, 2020

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

D. CONTACT DETAILS

The Eligible Shareholders may also contact the following for receiving the Letter of Offer and the Tender Forms in electronic form:

Cosmo Films Limited
Address: 1008, DLF Tower-A, Jasola District Centre, New Delhi – 110 025, India
Tele: +91- 11- 49494949
Fax No.: +91-11-49494950
Email: jyoti.dixit@cosmofilms.com
Contact person: Ms. Jyoti Dixit

Anand Rathi Advisors Limited
Address: 10th Floor, Trade D Tower, Kamla City, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013
Tel: +91-22-6626 6666
Fax: +91-22-6626 6544
Email: cosmo.buyback@rathi.com
Contact Person: Astha Daga / Adit Gala

Link Intime India Private Limited
Address: C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083
Tel: +91 22 4918 6200
Fax: +91 22 4918 6195
Email: cosmofilms.buyback@linkintime.co.in;
Contact Person: Sumeet Deshpande

E. OTHER INFORMATION

1) The information contained in this Advertisement is in accordance with the Relaxation Circulars.
2) The Offer will be implemented through stock exchange mechanism made available by BSE. Details relating to the procedure for tendering the Equity Shares are more particularly set out in the Letter of Offer.
3) The Advertisement will also be available on the websites of the on the website of the Company (www.cosmofilms.com), the Registrar to the Buyback (www.linkintime.co.in), the Stock Exchanges i.e. BSE (www.bseindia.com), NSE (www.nseindia.com) and the Manager to the Buyback (www.rathi.com).

F. DIRECTORS' RESPONSIBILITY

As per Regulation 24(i)(a) of the Buyback Regulations, the Board of Directors of the Company accept full responsibility for the information contained in this Advertisement and confirms that this Advertisement contains true, factual and material information and does not contain any misleading information.

For and on behalf of the Board of Directors of **Cosmo Films Limited**

Sd/-
Mr. Ashok Jaipuria
Chairman and Managing Director
DIN: 00214707

Sd/-
Mr. Anil Kumar Jain
Whole-time Director
DIN: 00027911

Sd/-
Ms. Jyoti Dixit
Company Secretary & Compliance Officer
Membership no. F6229

Date: November 20, 2020
Place: New Delhi

Liberty General Insurance Limited 10th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai-400013.
Phone-02267001313, Fax-67001606, Email:care@libertyinsurance.in, Toll Free: 18002665844, IRDAI Registration number: 150, CIN: U66000MH2010PLC209656
Trade logo displayed above belongs to Liberty Mutual and used by the Liberty General Insurance Limited under license

Liberty General Insurance

FORM NL-1A-B-RA
Liberty General Insurance Limited
(Formerly, Liberty Videocon General Insurance Company Limited)
IRDA Registration No. 150 dt. 22.05.2012

(Rs in lakhs)

UNAUDITED REVENUE ACCOUNT FOR THE HALF YEAR ENDED 30TH SEPTEMBER 2020

Sl.No.	Particulars	Period Ended 30th Sept 2020			Period Ended 30th Sept 2019		
		Fire	Marine	Misc	Fire	Marine	Misc
1	Premiums Earned (Net)	924	854	61,239	433	1,078	52,812
2	Profit/ Loss on sale/redemption of Investments	37	9	370	15	5	215
3	Others	-	-	-	-	-	-
4	Interest, Dividend & Rent – Gross	589	154	6,489	309	130	5,245
	TOTAL (A)	1,550	1,017	68,098	757	1,213	58,272
1	Claims Incurred (Net)	552	562	33,425	114	692	40,083
2	Commission	(177)	193	5,255	(62)	240	6,884
3	Operating Expenses related to Insurance Business	729	371	21,354	794	395	21,767
4	Premium Deficiency	-	-	-	-	-	-
	TOTAL (B)	1,104	1,126	60,034	846	1,327	68,734
	Operating Profit/(Loss) from Fire/Marine/Miscellaneous Business C= (A - B)	446	(109)	8,064	(89)	(114)	(10,462)
	APPROPRIATIONS	-	-	-	-	-	-
	Transfer to Shareholders' Account	446	(109)	8,064	(89)	(114)	(10,462)
	Transfer to Catastrophe Reserve	-	-	-	-	-	-
	Transfer to Other Reserves (to be specified)	-	-	-	-	-	-
	TOTAL (C)	446	(109)	8,064	(89)	(114)	(10,462)

FORM NL-2A-B-PL
Liberty General Insurance Limited
(Formerly, Liberty Videocon General Insurance Company Limited)
Registration No. 150 dt. 22.05.2012

(Rs in Lakhs)

UNAUDITED PROFIT AND LOSS ACCOUNT FOR THE HALF YEAR ENDED 30TH SEPTEMBER 2020

Sl.No.	Particulars	Period Ended 30th Sept 2020	Period Ended 30th Sept 2019
1	OPERATING PROFIT/(LOSS)		
	(a) Fire Insurance	446	(89)
	(b) Marine Insurance	(109)	(114)
	(c) Miscellaneous Insurance	8,064	(10,462)
2	INCOME FROM INVESTMENTS		
	(a) Interest, Dividend & Rent – Gross	3,003	2,433
	(b) Profit on sale of investments	171	100
	Less: Loss on sale of investments	-	-
3	OTHER INCOME - Exchange (loss)/gain	0	-
	TOTAL (A)	11,575	(8,132)
4	PROVISIONS (Other than taxation)		
	(a) For diminution in the value of investments	-	-
	(b) For doubtful debts	-	-
	(c) Others (to be specified)	-	-
5	OTHER EXPENSES		
	(a) Expenses other than those related to Insurance Business		
	Managerial Remuneration	272	264
	Stamp Duty on increase in share capital	-	30
	Directors' Sitting Fees	40	33
	Other expenses	51	8
	(b) Bad debts written off	-	-
	(c) Others	-	-
	TOTAL (B)	363	335
	Profit Before Tax	11,212	(8,467)
	Provision for Taxation		
	- Current	-	-
	- Deferred	-	-
	Profit After Tax	11,212	(8,467)
	APPROPRIATIONS		
	(a) Interim dividends paid during the year	-	-
	(b) Proposed final dividend	-	-
	(c) Dividend distribution tax	-	-
	(d) Transfer to any Reserves or Other Accounts (to be specified)	-	-
	Balance of profit/ (loss) brought forward from last year	(106,151)	(95,191)
	Balance carried forward to Balance Sheet	(94,939)	(103,658)

FORM NL-3A-B-BS
Liberty General Insurance Limited
(Formerly, Liberty Videocon General Insurance Company Limited)
Registration No. 150 dt. 22.05.2012

(Rs. In Lakhs)

UNAUDITED BALANCE SHEET AS AT 30TH SEPTEMBER 2020

Particulars	As at 30th Sept 2020	As at 30th Sept 2019
SOURCES OF FUNDS		
SHARE CAPITAL	108,623	108,598
RESERVES AND SURPLUS	74,813	64,837
FAIR VALUE CHANGE ACCOUNT-SHAREHOLDERS	3	8
FAIR VALUE CHANGE ACCOUNT-POLICYHOLDERS	8	18
BORROWINGS	-	-
TOTAL	183,447	173,461
APPLICATION OF FUNDS		
INVESTMENTS-SHAREHOLDERS	85,617	70,970
INVESTMENTS-POLICYHOLDERS	207,648	167,183
LOANS	-	-
FIXED ASSETS	2,333	2,408
CURRENT ASSETS		
CASH AND BANK BALANCES	1,864	3,650
ADVANCES AND OTHER ASSETS	26,457	19,265
Sub-Total (A)	28,321	22,915
CURRENT LIABILITIES	170,340	128,953
PROVISIONS	65,071	64,720
Sub-Total (B)	235,411	193,673
NET CURRENT ASSETS (C) = (A - B)	(207,090)	(170,758)
MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)	-	-
DEBIT BALANCE IN PROFIT AND LOSS ACCOUNT	94,939	103,658
TOTAL	183,447	173,461

FORM NL-30A
Liberty General Insurance Limited
(Formerly, Liberty Videocon General Insurance Company Limited)
Registration No. 150 dt. 22.05.2012

Analytical Ratios

Sl.No.	Particular	As at 30th Sept 2020	As at 30th Sept 2019
1	Gross Premium Growth Rate	-8%	36%
2	Gross Premium to shareholders' fund ratio	0.74	1.02
3	Growth rate of shareholders'fund	27%	17%
4	Net Retention Ratio	79%	83%
5	Net Commission Ratio	10%	12%
6	Expense of Management to Gross Direct Premium Ratio	45%	44%
7	Combined Ratio	109%	125%
8	Technical Reserves to net premium ratio	2.63	2.63
9	Underwriting balance ratio	0.01	-0.31
10	Operating Profit Ratio	13%	-20%
11	Liquid Assets to liabilities ratio	0.14	0.33
12	Net earning ratio	18%	-16%
13	Return on net worth ratio	13%	-12%
14	Available Solvency Margin Ratio to Required Solvency Margin Ratio	3.09	2.63
15	NPA Ratio		
	Gross NPA Ratio	Nil	Nil
	Net NPA Ratio	Nil	Nil

Disclosure

1. Public disclosure is made in accordance with IRDA circular No. IRDA/F&A/012/10/2010 dated 28th January, 2010.
2. The above financial results have been reviewed by the Joint Statutory Auditors of the Company and were approved by the Audit Committee on 5th Nov 2020 and by Board of Directors on 6th Nov 2020
3. Previous period's figures have been regrouped/reclassified whereever necessary.

Opinion

SATURDAY, NOVEMBER 21, 2020

UTMOST BRAVERY

Prime minister of India Narendra Modi

"Our security forces have once again displayed utmost bravery and professionalism. Thanks to their alertness, they have defeated a nefarious plot to target grassroots level democratic exercises in Jammu and Kashmir"

Atmanirbharta has a heavy price, do we want to pay it?

BSNL's 4G tender is a good example of this, but there is a larger cost as supply costs rise; we need to be aware of this

JUST HOW MUCH of a burden the government's Atmanirbhar strategy is costing the state-owned BSNL is best seen from its various letters of protest following the government forcing it to cancel its 4G tender and, instead, buy more from local vendors. Its latest letter to the telecom ministry on 'mapping of local capacities and competition in telecom products' makes the larger point that since BSNL has to compete with private sector players in the market, its equipment cannot, in any way, be inferior to theirs and that it cannot, in any way, have a higher down-time or even be using unproven technology. The last comment is important since, after getting BSNL to cancel the tender in order to exclude Chinese vendors, the government was keen that it uses an altogether new model; instead of awarding the tender to one equipment vendor with a proven track record, it should buy individual components from vendors and have an aggregator—like a software firm—put it all together.

As it happens, BSNL has pointed out, a large number of Indian vendors have not even participated in BSNL tenders in the past and, in most cases, "the rates quoted are much higher than the rates available globally with international standards". For the products which BSNL has listed, Indian prices are 50-89% more expensive than what foreign vendors are willing to supply at. In such a situation, since it is the government that wants Chinese firms out, surely it should be paying for the extra capital costs as forcing BSNL to buy more expensive infrastructure will mean it won't be able to compete effectively.

Indeed, while finance minister Nirmala Sitharaman announced a new PSU policy some months ago—all PSUs which are in non-strategic sectors will be sold, and a maximum of four PSUs will be allowed in strategic sectors—the BSNL episode confirms that, even now, the government is not really interested in giving genuine autonomy to PSUs. Why else would a PSU be asked to delay its capex plans and to tailor them to government specifications?

Indeed, the issue of the costs of Atmanirbhar Bharat goes beyond BSNL and has larger implications for the entire economy. Former chief economic advisor Arvind Subramanian has, in a co-authored paper, pointed out that while India's import duties fell from 125% to 13% between 1991 and 2014, they have since risen to nearly 18%, and this was done by hiking duties on around 3,200 tariff lines; the largest hike, the paper says, took place in 2018 when there were nearly 2,500 tariff increases; according to the authors, the tariff hikes applied to around 70% of India's imports. At a time when big trade pacts—like RCEP—are focused on lowering import barriers, actually raising them makes India the pariah. And, as we have seen from economic data, India's high-growth years have been those with large export-growth as well; indeed, it is the high growth of exports that is not just boosting economic growth, it is also responsible for the big jump in investment levels in the economy. Not only is *atmanirbharta* forcing higher costs on those that import, but it is also hurting India's ability to export.

The asymptomatics riddle

Role in Covid-19 spread unclear; enforce mask-use, distancing

THE FIGHT AGAINST Covid-19 will have to deal with the questions surrounding asymptomatic infected cases: how many will likely not experience any symptoms, how big is their role in the spread of the disease, is the chance of being asymptomatic higher for a particular demography (age-wise/sex-wise), etc. These questions are further complicated by the unclear line between true asymptomatics (those who course through the disease without ever having exhibited symptoms) and the pre-symptomatics (those who are infected but have no symptoms at the time of the infection getting reported, only to develop these later). The lack of a standard definition for pre-symptomatics—in terms of a threshold duration before the onset of symptoms, or some such yardstick—plays its part too.

Early in the pandemic, there had been talks of a high asymptomatic proportion in the pool of infected—the ICMR pegged this at 70% cases though it later tempered that estimate drastically. However, last month, an analysis of 13 low-risk-of-bias studies from seven countries, with data on 21,708 high-risk people, showed asymptomatic people constitute merely 17% of the infected population. The meta-study also found that asymptomatics were 42% less likely to spread the disease than those with symptoms. Another study, uploaded on the pre-print server, *medRxiv*, found that the risk of an asymptomatic case passing on the disease to others in their home was a fourth that of a symptomatic case doing this. The new research seems to be at odds with the disease data in the Indian context, specifically the large gap between reported cases—based on largely symptomatic-focused testing—and serosurvey findings; the number of reported infections on the last day of the latest countrywide serosurvey (September 22) stood at 56 lakh versus the 9.1 crore estimated from the serosurvey findings. It is quite unlikely that there were so many symptomatic cases that never got tested/reported. Read with the fact that the estimate of infected jumped from around 1 crore in the first serosurvey to 9.1 crore in the second (three months after the first)—and that the bulk of the symptomatic cases would have taken some isolation measures—this would suggest a much larger role of asymptomatics.

There are very few things that we can hold as canonical when it comes to Covid-19; while the scientific opinion is that asymptomatics neutralise the virus faster than symptomatics, there have been cases where an asymptomatic individual has remained infectious for a long time—in one case, as long as 70 days. So, whether the number of asymptomatics is low or high, whether they transmit the virus at a comparable rate with symptomatics or not, pending pharmacological solutions, the policy must double down on non-pharmacological measures—to that end, the Delhi government's move to increase the 'no-mask' fine from ₹500 to ₹2,000 is a good move.

RISCReturn

Apple's bet on ARM processors pays off only if mainline companies rejig their apps fundamentally to be compatible

ADVANCED RISC MACHINE (ARM) processors have become the mainstay for mobile phone and tablets, but companies have not used these for their laptops. Those that did try—a Microsoft, Lenovo and Samsung—using Qualcomm chips, were not too successful owing to the absence of an ecosystem of apps. However, Apple relying on ARM for its laptop processors may bring back interest. 'System on a chip'—which is what ARM fundamentally is—is the future of computing; this integrates all CPU power, RAM and processing on a single chip. This makes it more efficient for parts of a computer to communicate with each other. A move to ARM is also a shot in the arm for RISC (reduced instruction set computer)-based architecture, which ultimately entails longer battery life, slimmer laptops and better integration with other devices. Besides, Intel, based on complex instruction set computer (CISC) architecture, is reaching the end of its computing capability. As communication between different parts of a computer gets more complex, more transistors will be needed to be fitted on a chip. CISC has nearly peaked in this regard. RISC requires fewer commands than CISC, so it needs fewer transistors to communicate with each other. Apple, in this case, has further advanced its capabilities as it is using 5nm processors. So, it can place more transistors on a chip which interact less with each other.

However, for Apple's, or for that matter, any company's ARM bet to be successful, they will still need to convince developers to redesign apps from scratch. Millions of code will need to be rewritten to be able to run the apps. While Apple is offering software, which will help transition some apps, unless developers like Microsoft, Adobe do not create native apps, new laptops will not show drastic efficiency gains.

WORLD ORDER

BIDEN MUST SIGNAL TO THE EU AND CHINA THAT HE SUPPORTS AN EXPANSION OF EXISTING DEBT RELIEF AND FISCAL SUPPORT, HEADLINED BY INCREASING TO $1 TN THE AVAILABLE POOL OF SDRs

G-20 leadership key to multilateralism 2.0

NIC DAWES

Bloomberg

FOR ALL OF its branding as "the premier forum for international economic cooperation", let us recall that the Group of 20 was born under a bad sign. The heads of state first met in the maw of the 2008 financial crisis, in the dying days of the Bush administration. Now, as they limp toward a low-expectation summit in the twilight of the Trump era, under the presidency of a Saudi Arabia struggling to launder its global reputation, the stars look just as bad.

In April 2009, at just the second full summit meeting of the new great-power forum, Gordon Brown and Barack Obama chivvied and haggled with Hu Jintao, Angela Merkel, and Nikolas Sarkozy. The leaders of big developing economies were there too of course, with left-leaning technocrats like India's Manmohan Singh and Brazil's Lula Inacio da Silva lending more equitable look to the high council of global economic governance.

Despite some opposition from the French and Germans, they emerged with an extraordinary deal: $1 trillion in new capacity for the International Monetary Fund (IMF), $250 billion in new funding from members, $500 billion in "New Arrangements to Borrow," and $250 billion in additional Special Drawing Rights—the near-cash instrument available to IMF members on a proportional basis.

Intervention on a similar scale is if anything, more urgent now. Much of the G-20 has drifted into a widely-predicted second wave of Covid-19 cases, with public compliance faltering and governments unable to muster the will to contain a resurgent virus.

Something similar has happened to efforts to ensure a coordinated global economic response to the pandemic. From the most resilient economies to the most fragile, there is massive uncertainty. Global output has taken a $12-trillion hit, and the timeline to recovery remains uncertain.

The US Federal Reserve continues to act as a *de-facto* global anchor, and China's central bank has an increasingly large set of surpluses to invest. But a second round of stimulus funding in the US remains in doubt, and in smaller economies, worries about debt and deficits are already causing a premature pull-back. A new IMF report notes that in economies where fiscal balances dropped by more than 10% of GDP this year, they are expected to improve by more than 5% of GDP in 2021. To be clear, that is an unwelcome development: most of the improvement will be down to reduced stimulus spending, which will starve the recovery of oxygen.

Perhaps the most damaging legacy of 2008 is the global rise of the same nationalist, anti-democratic leaders who are an obstacle to coordinated action now

The Fund itself has provided $70 billion in loans through its existing programmes, and around $29 billion in through its rapid-credit and financing facilities. These are big numbers, but derisory relative to the scale of the problem.

The Trump administration has vetoed widespread calls to expand SDRs. Treasury secretary Steven Mnuchin claims that the funds would go mostly to G20 members who, he says, don't need them.

Tell that to South Africa, which faces a 15% budget deficit this year. Mnuchin clearly hasn't studied the numbers. Poorer countries would realise enormous benefits too. Mozambique, for instance, would see its international reserves bolstered by some 18% if the stock of SDRs was increased to $1 trillion. Bangladesh would get around $9 billion, which, the Center for Economic Policy Research reminds us, would enable it to purchase around 12 million Covid-19 test kits or fund 50% of its annual imports from the US.

The G-20's current leadership dynamics are no cause for optimism. Donald Trump is looking to prove that a lame duck can still smash things, and his good friend Mohammed bin Salman lacks the moral authority to secure a deal. Singh and Lula have been replaced by Narendra Modi and Jair Bolsonaro, who combine hollow economic rhetoric with rightwing populism. As for Boris Johnson, he may be anxious for a reset, but he is no Gordon Brown on questions of global development.

If nothing else, however, the summit is an opportunity to focus minds on the dangers of ongoing inaction.

Zambia has just become the first African country to default on its debt since the advent of the pandemic, and similar pressure is piling up elsewhere. Even where there is little risk of default, austerity will cause deep scarring, with consequences for both individual countries, and what remains of the multilateral system.

Perhaps the most damaging legacy of 2008 is the global rise of the same nationalist, anti-democratic leaders who are an obstacle to coordinated action now. Cutbacks in social spending and investment in fractured democracies like South Africa, Mexico, and Nigeria, threatens to give space to more of the same.

There is some hope in the recent past, however.

As Adam Tooze writes of the first G-20 summit in *Crashed—How a Decade of Financial Crises Change the World*, "On his way out of office, Bush's administration, which had given unilateralism a bad name, would reluctantly inaugurate a new chapter in multilateralism".

Joe Biden and his team may have to work around a reluctant Senate, but they have more scope internationally. They should be telegraphing now—to Europe, to China, and to big emerging markets—that they will support a G-20 plan with four basic elements: An expansion of existing debt relief and fiscal support, headlined by increasing to $1 trillion the available pool of SDRs; a shared political commitment to expansionary spending; firm climate commitments for recovery investment; and open, rules based global trade.

That may the basis for positioning now, and more substantial action early in the new year. Just maintaining stimulus spending would be no small victory.

The next chapter in multilateralism will look very different from the last, but if it is put off much longer, it won't begin at all.

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Reforming power-pricing

State regulators are duty-bound to safeguard consumer interests and encourage competition in the sector, but the contradictions and constraints of power pricing must be reconciled through policy interventions and reforms

AK VERMA

Former IFS officer and served power sector for long. *Views are personal*

EXTENDING ELECTRICITY CONNECTION to every household is the greatest power reform touching the life of the common citizen. Now, 24x7 quality power at affordable prices must be ensured. But, the buzz on the next round of power reforms is centred on the amendments to the Electricity Act (EA) and/or the Tariff Policy proposed rather than the addressing of structural issues fettering power supply. Power sector suffers from problems of plenty due to the surplus generating capacity, increasing renewables without retiring old and polluting coal-fired generators, long tenure of power procurement agreements, excess tied capacity and aggressive energy efficiency drive. By March 2020, the installed capacity was 370.05 GW, excluding 54.93 GW of captive capacity. So far, the electricity demand in the country has never gone above 183 GW. Even tied capacity is also around 300 GW. Power distribution companies (discoms) are also mandated to buy renewable energy under the Renewable Purchase Obligation. As a result, states have more than 30-40% of the installed capacity either backed down or shut down. About 15-35% of total fixed cost payable by discoms corresponds to unscheduled electricity. India has taken significant steps to improve energy efficiency, avoiding about an additional 15% of annual energy demand and 300 million tonnes of CO2 emissions over the period 2000-18, according to IEA analysis. Replacement of incandescent bulbs by LED lamps under the UJALA programme has resulted in 47.08 TWh annual saving of electricity, avoided peak demand of 9,425 MW and saved ₹18,831 crore a year. Energy efficiency reduces the power bill of consumers, but power demand decreases and adds to the fixed costs that utilities pay. The higher landing cost of power is antithetical to the affordability of electricity consumption. The ministry of power must rework the targeted numbers to reconcile conflicting factors for the passing period. A trade-off between sufficiency and affordability of power must be made immediately for all kinds of consumers.

EA 2003 provides for tariffs to reflect the cost of supply progressively. The Tariff Policy aims to keep tariffs for all categories of consumers within the maximum range of 20% below or above the average cost of supply. A recent analysis by IEA finds that residential tariff on PPP basis in India is higher compared to Russia, China, the US, Indonesia, Canada, Korea, etc. Hence, the scope of tariff hike without impacting the household finance is limited. In India, as with all other forms of subsidies, removing cross-subsidies on electricity has proven to be difficult. The cost of removing cross-subsidies is daunting in terms of price inflation and household consumption, especially in rural areas. Through the direct benefit transfer (DBT), the government (central or state) can reduce the financial burden placed on households by the tariff hike. Till a robust system of DBT develops, the possibility of misplaced priority for energy security, and also free riding and theft of power by unscrupulous consumers cannot be ruled out. Thus, the abolition of cross-subsidies in India is not possible without placing a considerable financial burden on households. Cross-subsidies in electricity tariff should also be seen in the context of other subsidies along the value chain. In the case of coal, underground mining is subsidised by opencast mining. Transportation of coal is through Railways and freight subsidises the passenger fare. Similarly, the transmission of conventional power subsidises the transmission of renewable energy. Therefore, removal of cross-subsidy from tariff alone would not rationalise electricity pricing. Ideally, all cross-subsidies should go, the inefficiency of utilities should not be permitted, but the tariff must reflect the cost of supply. A major cause of concern in states with high regulatory assets is narrowing headroom for tariff increase in future tariff periods. Regulatory assets and non-remunerative tariff fixation have set in a vicious circle of creating larger debt and unsustainable discoms. It would be desirable to delegitimise regulatory assets.

Through the DBT, the government (central or state) can reduce the financial burden placed on households by the tariff hike

Subsidies or tariff compensation to discoms are around 15% (from 10% to 30%) of the aggregate revenue requirement of discoms in various states. The subsidy is not limited to agriculture consumers alone, as many domestic, non-domestic, and even industrial consumers receive free or subsidised power. Though the quantum of subsidies is already significant and increasing rapidly, it is barely able to keep pace with the rise in the average cost of supply in many states. Increased subsidy commitment, along with delays and pendency in payment compounds the situation. With the rising cost of supply for discoms and the increasing demand from newly electrified and financially weaker households, the need for subsidies would increase. With the growth in open access and captive consumption, discoms may not have the ability to raise enough cross-subsidy, which further underlines the need for increased subsidy support. State regulators are duty-bound to safeguard consumer interests and encourage competition in the sector, but the contradictions and constraints of power pricing must be reconciled through policy interventions and reforms.

LETTERS TO THE EDITOR

Delhi needs better governance for Covid

Apropos of the report "HC raps Delhi govt, asks why it didn't 'wake up' when Covid numbers were spiralling" (dated November 20). November has been the cruelest month for the country's capital. The day after Diwali saw it suffering the most polluted air in the world. For related reasons, in these weeks it has also perhaps seen the worst Covid-19 cases spike faced by any city so far. The pandemic thrives on governance shortfalls, and Delhi's has been very painfully exposed, despite its being the national capital. Or perhaps, that is precisely its problem, as the city state's divided authority structure makes it easy to pass the buck. Eight months on, third Covid peak in, the tragedy is how many times the same lessons need relearning. Yesterday, just over 49,000 tests were conducted, of which, rapid antigen tests were in the solid majority of 32,431. Consider both the low proportion of RT-PCR tests and that this is overall a lower testing level than mid-September, even though cases have ominously risen since then. Meanwhile, the health minister of Delhi makes unsubstantiated and misleading claims such as the third wave being caused by aggressive testing, and the peak having passed. Perhaps this is just a political rhetoric. But, it detracts from ramping up the anti-Covid effort. Even the way in which the state government has fixated on reserving ICU beds for Covid-19 patients has the hallmarks of a knee-jerk reaction. What is required is rapidly scaling up beds and ICU capacity to meet the situation, including in makeshift facilities. To this end, the Centre and even other states where the situation has improved should provide optimum support at a time when deaths are rising worryingly in the capital.

— Sanjay Chopra, Mohali

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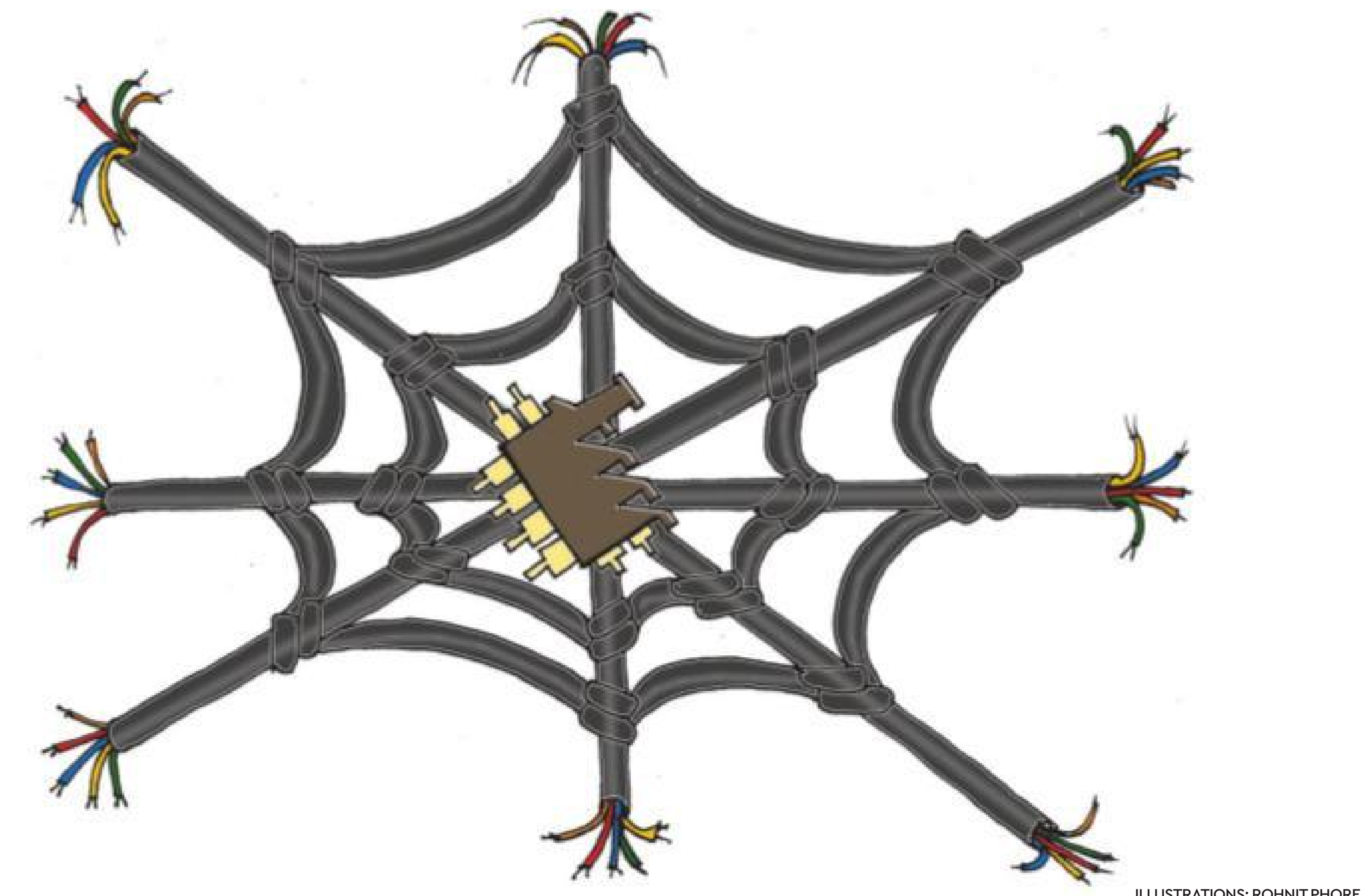

ILLUSTRATIONS: ROHNIT PHORE

VIDHISHA VYAS & SWETA AGARWAL
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Deal market acquires a taste for digital

Recent M&As, with conglomerates in the fray, pose a unique competition challenge

COVID-19 HAS CORROBORATED the widely held belief that technology will completely transform business functioning, and digitisation is the way forward. The first two decades of the 21st century witnessed an increased use of technology across business processes, but the pandemic has forced a paradigm shift in digital adoption for most businesses. There has been relatively high investment or M&A, driven by private equity, venture capitalists, or otherwise, in the digital space. The laggards in the adoption of digital assets have been forced to keep pace with the competition, and, hence, are eyeing acquisition of digital assets as the fastest way to build capabilities. The first half of FY21 saw deals that strengthened acquirers' digital capabilities, kept emerging threats at a distance and led to the consolidation of the market in the digital asset.

As per *Bloomberg* data, out of 997 deals amounting to a total of ₹6,93,776 crore announced in the first half of the financial year, the reigning sectors were e-commerce, IT, retail, consumer, fintech, OTT and ed-tech, where digitisation is the ruling strategy. Digital M&A activities have turned out to be a key approach for cash-rich firms' growth journey. In times of minimal treasury income due to subdued interest rates, acquiring cutting-edge capabilities at low valuations has proved to be a far more judicious move over a self-build model, especially when it offers swift entry into previously neglected and 'out of comfort zone' segments. Big IT firms, like Wipro, Infosys, Tech Mahindra, and HCL, have been acquiring cross-border firms to enter new products and markets in the digital technology space. Infosys acquired Kaleidoscope (US-based) for its digital product design and development, Wipro acquired a Brazilian IT-digital solution provider, Tech-Mahindra acquired a US-based cloud development company and Cognizant acquired around four digital companies in the US. The deals being in client countries also safeguard the acquirers against any future work visa laws issues.

On the domestic front, deal values in the telecommunication sector have been particularly noteworthy. It grew 220-times in comparison to last year, mainly due to high-value inbound deals of Facebook and Alphabet (Google's parent firm) with Reliance Jio. Google invested $4.5 billion in Jio and would soon be developing a low-cost Android phone for the company. The deal offers Google not only an opportunity to gain access to new users that would be using internet for the first time but also to test its low-cost smartphone strategy. Facebook's deal with Jio for $5.7 billion was aimed at capitalising on the growing roots of the e-commerce industry in India.

In sectors like consumer goods and retail, where success is dependent on distribution supported by resilient supply chain and brand names, many conglomerates with deep pockets are looking to acquire strong local brands struggling for funds. The Tata group is scouting for potential deals in hyperlocal space, ranging from staples to fresh grocery to e-pharmacy, which can be added to its ambitious super app. Reliance's acquisition of Urban Ladder at a valuation of a mere ₹190 crore shows the group's intention towards digital and new commerce initiatives. It widens the bouquet of consumer products offered by the group. This has drastically enhanced user engagement and experience.

Start-ups which were going strong in the pre-Covid scenario and were reluctant to go for M&A have started exploring the same due to a decline in private equity and venture capital investments. Sharp fall in funding, by as much as 75%, in various sectors (largely in fintech) is leading to consolidation. Amazon has acquired stake in fintech firms like BankBazaar and Capital Float. On the other hand, fund-deprived Bigbasket, India's biggest e-grocer, facing fierce competition from Reliance Jio Mart and unable to get fresh investments due to the present geo-political scenario, is evaluating stake sale option. Venture capitalists, after losing money in B2C start-ups during the pandemic, have started preferring B2B start-ups. This has led to an intensification of deal activity in the B2C digital start-up landscape. Recently, IndiaMART acquired a 9% stake in Mobisy Technologies.

Online education saw maximum traction due to pandemic, and with the implementation of new education policy, ed-tech is expected to remain relevant for a longer time. In six-month's time, BYJU's valuation has already increased tremendously. It has joined the deca-corn club. Ed-tech start-up, Eruditus, which focusses on executive education, has raised $113 million in funding. Unacademy has acquired five ed-techs firms, Mastree, Prepladder, CodeChef, Kreatryx and Wifistudy, to strengthen its market. The sector is now expected to experience consolidation led by venture capitalists for better returns. As has been the case in e-commerce, ride-hailing, and food aggregation, they will also be pushed for M&A by investors to reduce competition and enhance market share.

The increased deals in the digital space have made Competition Commission of India more vigilant, and it has been working on not only developing an outlook on resulting competition and market trends but also to take appropriate measures to protect offline business interests. In such a scenario, the firms undertaking M&A need to consider the unique characteristics and challenges of the deals. They should think strategically about aligning their digital agenda with that of acquired assets and keep a sharp eye on the resulting competition along with terms of the deal, and possibility of cyber-attacks. Still, the coming days would be exciting in terms of weeding out the competition, acquiring technologies, pivoting business model and consolidation in digital space.

Linking freelancers to jobs

ABHINAV VERMA
Founder and CEO, SkillSoniq.com

Need AI-powered digital platforms to boost freelancing

THE TRADITIONAL RECRUITMENT process is broken, and companies are struggling, more than ever, to find skilled talent quickly. This problem will get worse as more companies spring up, especially in India. As per Workable, a leading recruiting platform, it takes companies 60+ days and $8,000 (₹5,00,000) to hire talent. This is certainly not favourable in the Covid-era when companies are trying to stay lean. Other alternatives to hiring also exist, but with problems--one of them being staffing agencies that are too expensive.

"Freelancers" or "Independent Contractors" can solve these problems. By hiring freelancers, companies can stay lean, pay for the work done, and save on tax and benefit costs. Moreover, hiring freelancers is a great way for companies to try out talent before they decide to move them to their payroll.

Freelancing is bringing about a paradigm shift in the way people work globally, especially due to Covid. Workers are not encumbered to one company. More important, this helps achieve a better work-life balance. With more than 8 million people out of a job in India due to Covid, freelance is a great way for workers to get back into the job market. The Indian and global labour force is rapidly moving towards freelancing, especially now when workers are getting used to working from home. India represents the second-largest market for freelancing, with 15 million freelancers. McKinsey, a leading consulting firm, estimates that the Indian Freelance market will grow to $30 billion by 2025, and predicts that half of India's population will freelance in the next few years.

While freelancing is on the rise, there is a huge need to address the problem of efficient match-making between companies and freelancers, through the use of digital technology and artificial intelligence. Digital platforms can help companies connect with the best freelancers, enable them to manage individual freelancers or a team of freelancers, make payments easily and provide feedback, all in one platform. India must focus on promoting such digital platforms.

The use of AI can help in understanding the hiring preferences of companies and career aspirations of freelancers, and in building hyper-personalised marketplaces. Global digital marketplaces, such as Upwork and Fiverr, are already using AI to streamline the match-making process between companies and freelancers.

For India's economy to rise rapidly in this decade, the government needs to promote the use of digital freelance platforms. The government should also refine the labour laws to support freelancers. This is already underway with a bill to establish a social security fund for contractors. Such changes are sure to propel India to get back on its pre-Covid growth trajectory, and back on track to achieve the $10-trillion GDP goal set by PM for the next 15 years.

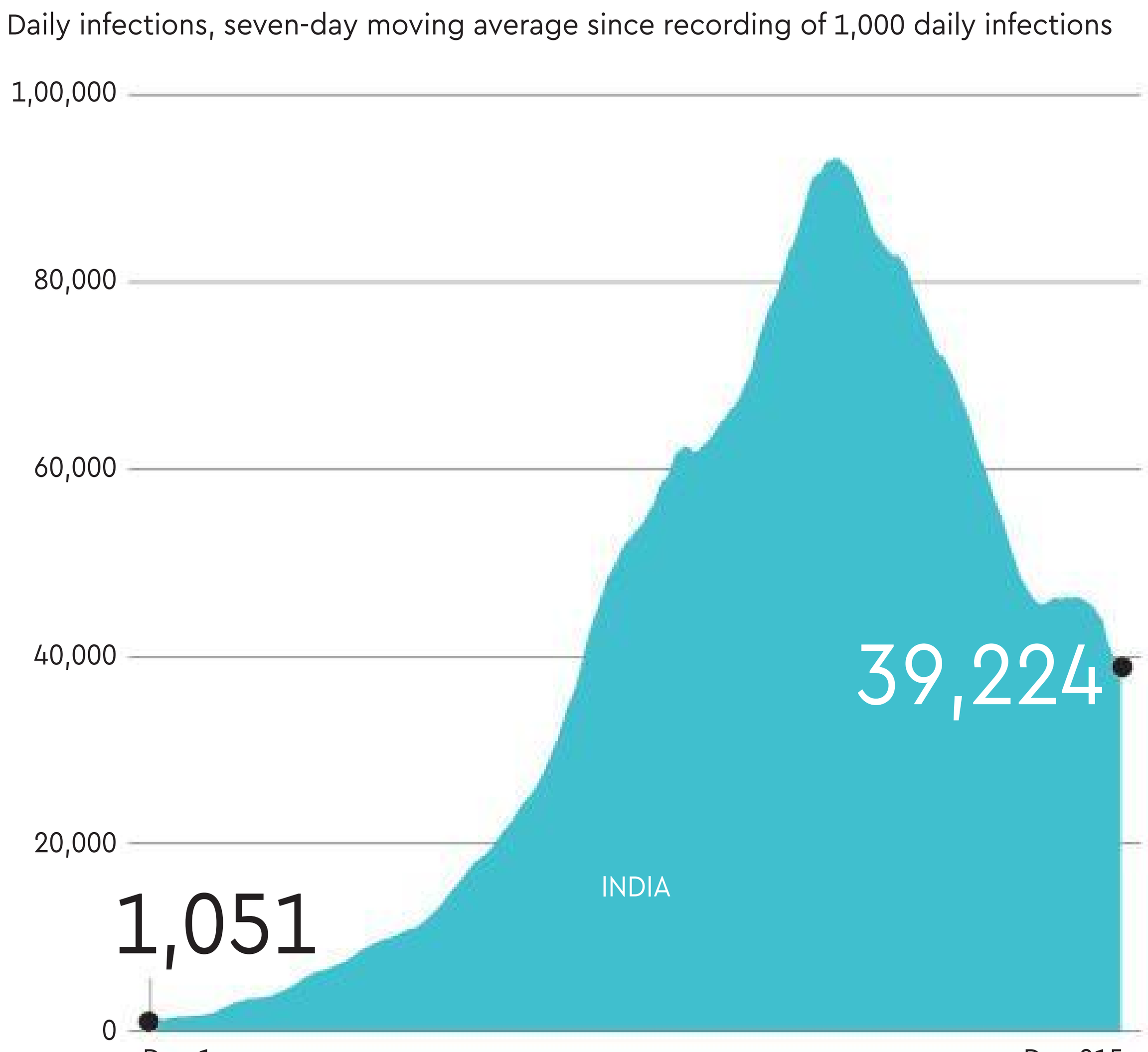
DATA DRIVE

Global concerns

ON FRIDAY, INDIA became the second country in the world to cross 9 million infections. While daily cases have come down from the high of 95,000 these touched in September, India can't afford to be lax if the latest trends from the US and Europe are any indication. Meanwhile, global infections have been rising at a faster rate. On Friday, global daily cases touched 6 lakh, as there was a resurgence in the US and Europe; the US now accounts for a quarter of the world's total infections. At the same time, the European countries are experiencing their worst bout of Covid-19 infections with each country recording nearly 25,000 daily cases. In terms of deaths, too, while India's pace has slowed, numbers are piling up in the US and Europe. Daily global deaths, on Thursday, were nearing 10,000. The US alone has been registering nearly 1,500 deaths.

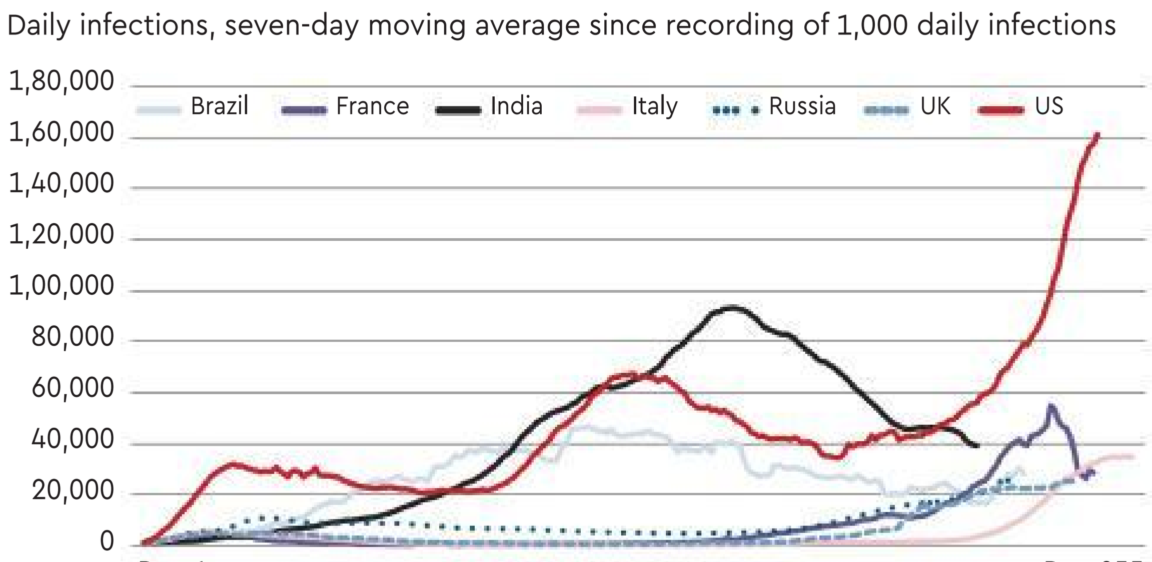
While India's curve is falling

Daily infections, seven-day moving average since recording of 1,000 daily infections



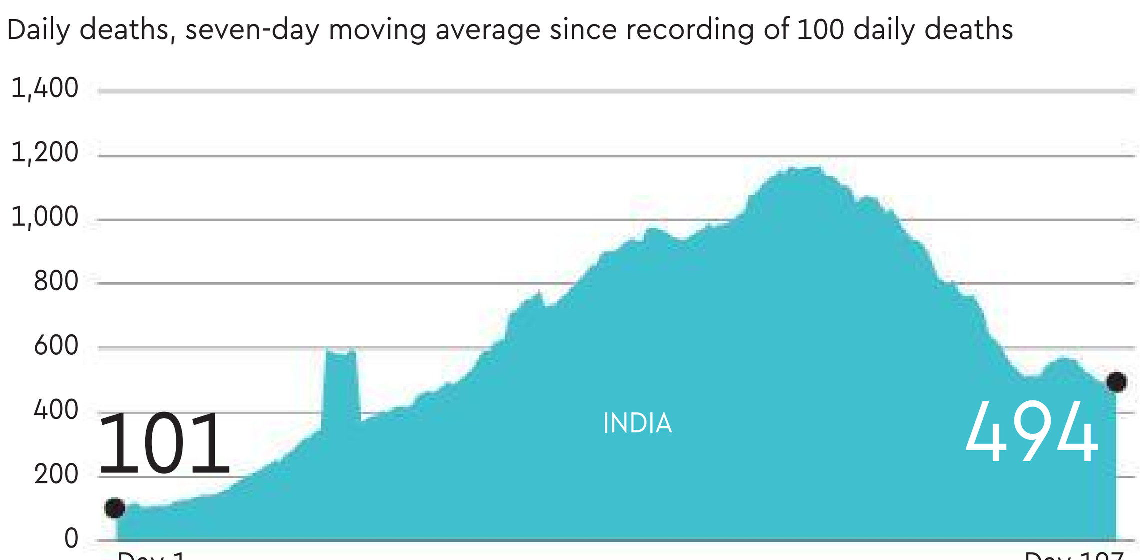
Western world is seeing a resurgence of infections

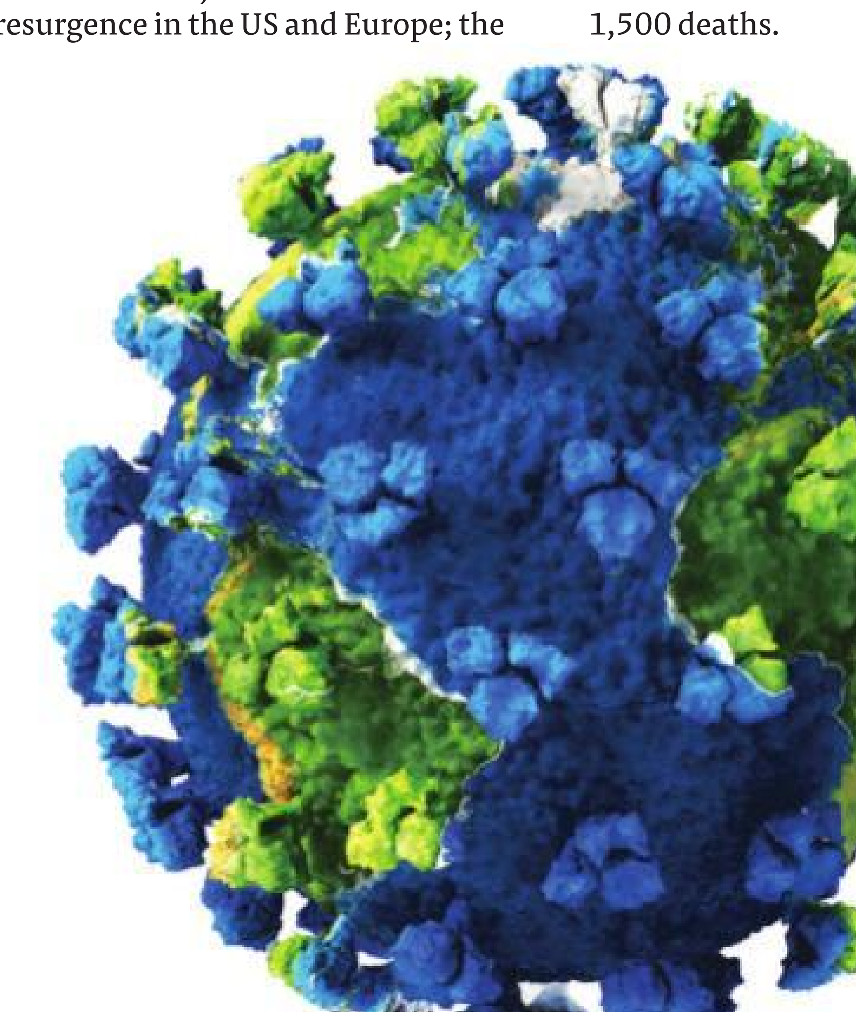
Daily infections, seven-day moving average since recording of 1,000 daily infections



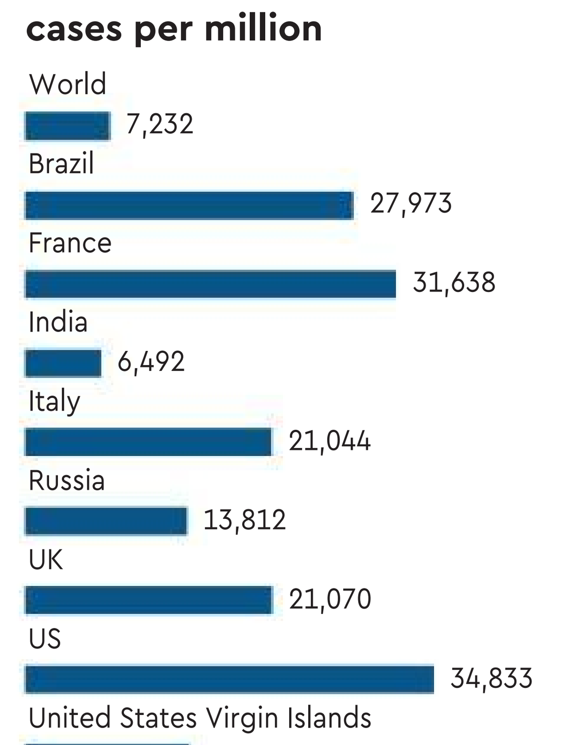
In terms of deaths too, India is slowing down

Daily deaths, seven-day moving average since recording of 100 daily deaths

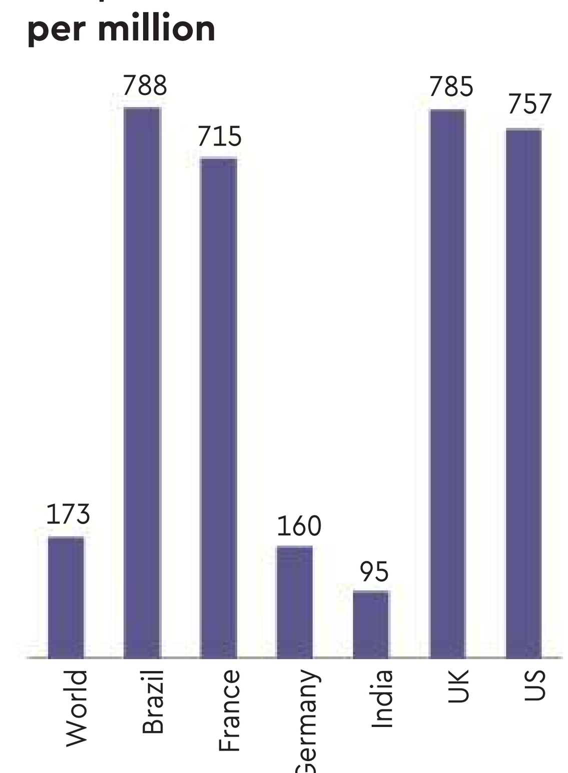




India still has the lowest cases per million

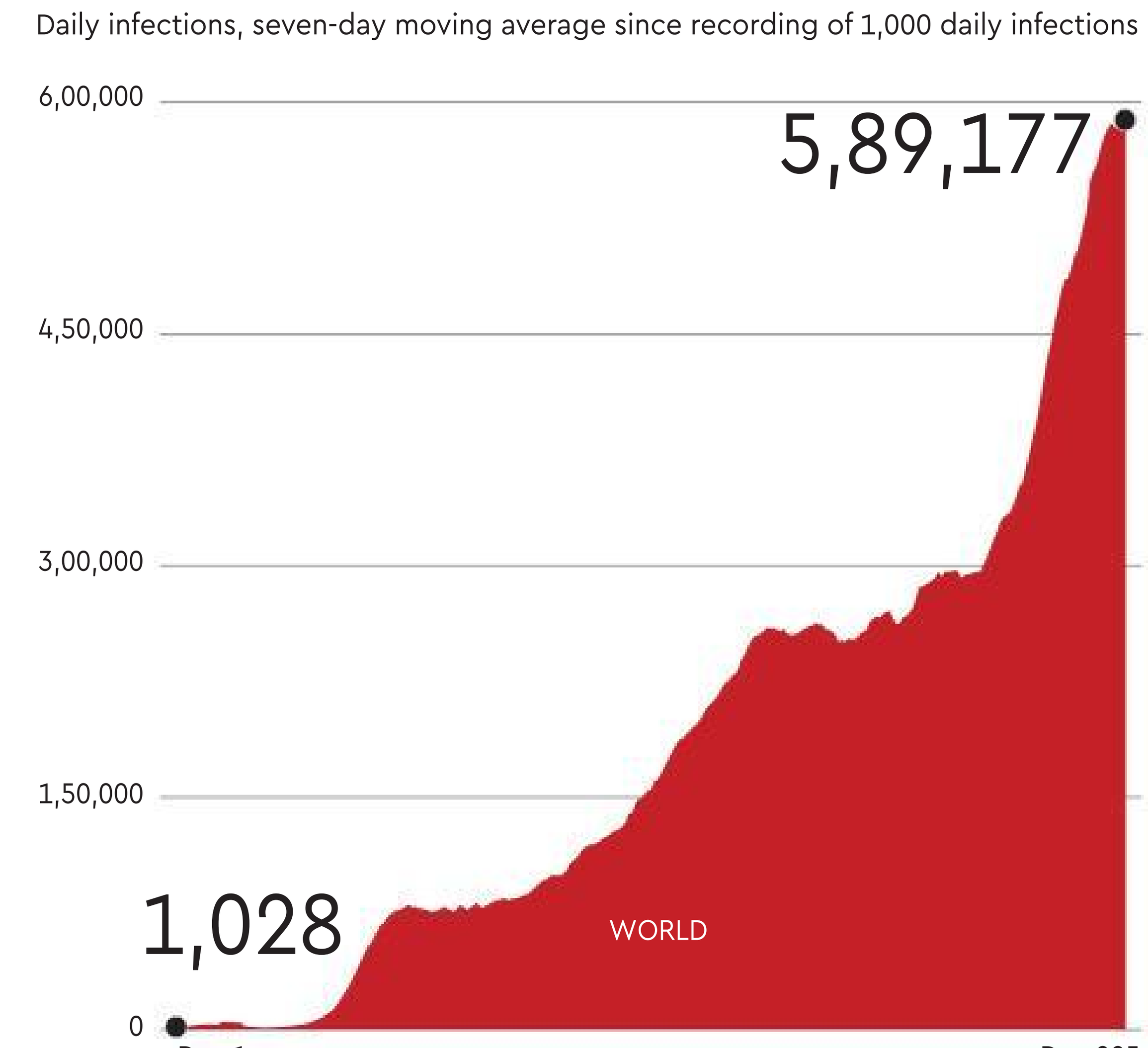


And, the lowest deaths per million



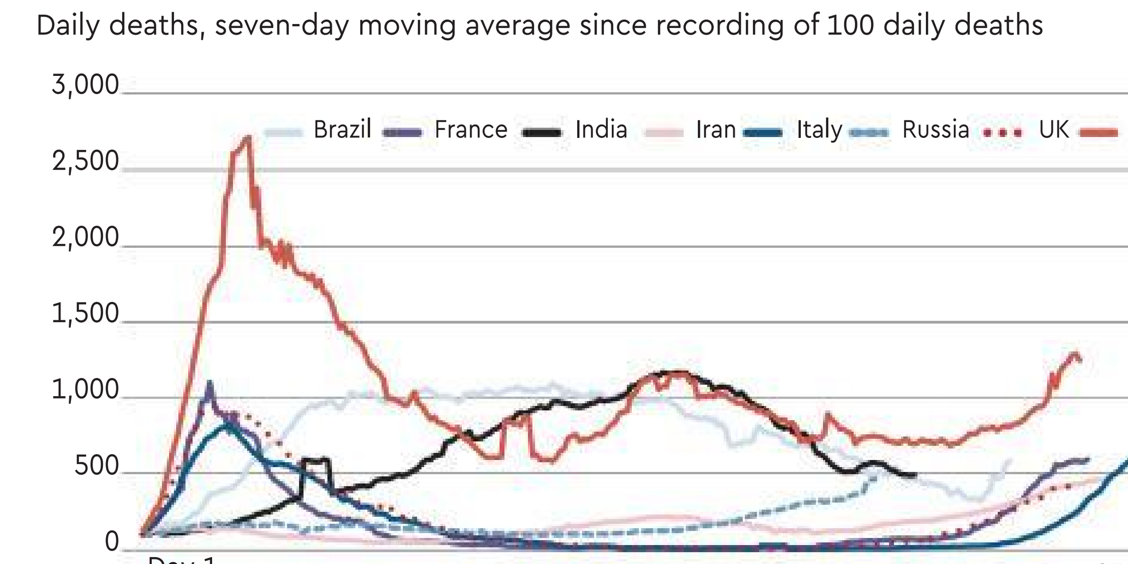
Globally, cases are still rising

Daily infections, seven-day moving average since recording of 1,000 daily infections



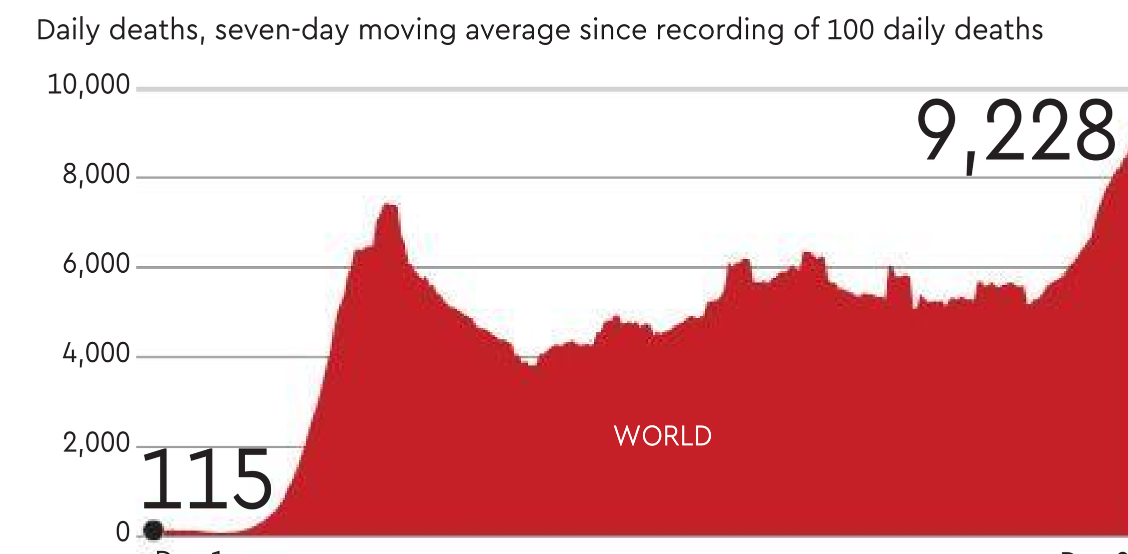
Deaths are rising in the West

Daily deaths, seven-day moving average since recording of 100 daily deaths



Across the world they are rising

Daily deaths, seven-day moving average since recording of 100 daily deaths



SOURCE: OUR WORLD IN DATA

International

SATURDAY, NOVEMBER 21, 2020

VOICING CONCERN

Barack Obama, former US president

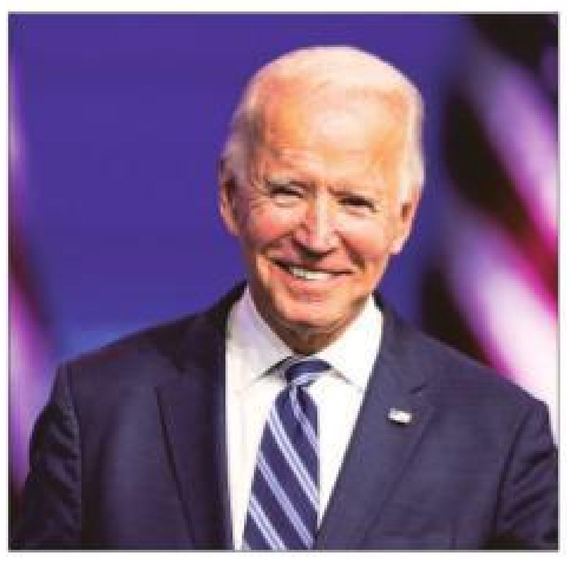
I have been troubled, like I think every American ... should be troubled, when you start having attempts to block, negate, overturn the people's vote when there's no actual evidence that there was anything illegal or fraudulent taking place.

MARCHING FORWARD

Biden wins Georgia recount as Trump setbacks mount

Officials said the audit confirmed there was no widespread fraud or irregularities in the poll

PRESS TRUST OF INDIA
Washington, November 20



PRESIDENT-ELECT JOE BIDEN has won the Republican stronghold of Georgia, a top state official said after a manual recount, becoming the first Democrat to have won the key battleground state since 1992.

After a hand recount of nearly five million votes, that lasted for several days, the Democrat Biden won by 12,284 votes over President Donald Trump. Before the recount, Biden's lead was about 14,000 votes.

"Georgia's historic first state-wide audit reaffirmed that the state's new secure paper ballot voting system accurately counted and reported results," said Georgia secretary of state Brad Raffensperger on Thursday.

Georgia had not voted for a Democratic presidential candidate since Bill Clinton in 1992.

Officials said that the audit confirmed that there was no widespread fraud or irregularities in the election held on November 3.

"This is a credit to the hard work of our county and local elections officials who moved quickly to undertake and complete such a momentous task in a short period of time," the Republican official said.

The election results in Georgia, which has 16 electoral college votes, is expected to be certified on Friday.

Biden was declared the winner of the presidential election on November 7 after flipping Pennsylvania, Michigan and Wisconsin to the Democrats' column. With Georgia's 16 electoral votes, Biden will now have 306 electoral votes to Trump's 232.

In 2016, Trump had won Georgia by five percentage points over Democrat Hillary Clinton.

Meanwhile, the Trump campaign's senior legal advisor Jenna Ellis accused the media of falsely reporting that Biden has been declared the winner in Georgia as the state has not yet certified its results. "Headlines are already falsely reporting that Biden is declared the winner in Georgia. Sorry, media, that's not how it works. The state of Georgia has not certified its results, and it should not," she claimed.

Global economy at make-or-break moment, warns G20 veteran

WILLIAM HOROBIN
November 20

THE GLOBAL ECONOMY could be facing a make-or-break moment in the Covid-19 pandemic as governments' ability to cover the mounting costs nears its limits, the chief of the OECD warned.

Angel Gurria, who spent 14 years as the head of the Paris-based body, said while governments were right to open the spending taps this year to counter the worst recession in living memory, many are close to running out of fiscal firepower. Without greater efforts to coordinate, the next stage of crisis could see a fragmentation in the global economy with gaps widening between rich nations and cash-strapped economies.

His comments sound the alarm for world leaders as they gather for a G20 meeting on Saturday. "Right now you really are seeing the limitations of some of the fiscal capacities with the economic realities," Gurria said in a Bloomberg interview. "It's not the last few months where you will see the damage that was done — it's going to be in the next few months."

— BLOOMBERG

MAPPING THE VIRUS

Cases reach
56.8 million

Deaths
1.35 million

Recoveries
39,925,758

- EU says BioNTech, Moderna vaccines approval possible in Dec
- 'Scary' winter of lockdowns cools market elation over vaccines
- AstraZeneca stock vulnerable if vaccine falls short of high bar
- Only the best London offices thrive in an emerging Covid divide
- Moved during Covid? A third of bosses say they'll cut your pay
- Ardern urges recovery focus on people most affected

New Zealand Prime Minister Jacinda Ardern said that as the Asia-Pacific region turns to economic recovery following the pandemic, countries will need to focus on those most harshly affected – including indigenous communities and women.

Roche Holding is working to rapidly boost supply of Covid-19 antibody treatments and will be able to make its first deliveries in the first quarter of 2021, according to chief executive officer Severin Schwan.

England's Covid infection rate continued to rise, with one in 80 people having the disease in the week to November 14, according to Office for National Statistics figures published Friday.

Singapore will tighten border measures for travelers who have been to Malaysia or Japan amid a resurgence of coronavirus cases in those countries.

Madrid's government will prevent traffic from entering or leaving the region from December 4 to December 14 in its latest step to control Covid-19 infection rates.

Austria's seven-day average of new cases declined for the seventh consecutive day. Friday's 6,668 new infections brought the average down to 16% below the November 13 peak.

Trump, allies take frantic steps to overturn Biden's victory

ASSOCIATED PRESS
Washington, November 20

PRESIDENT DONALD TRUMP and his allies are taking increasingly frantic steps to subvert the results of the 2020 election, including summoning state legislators to the White House as part of a longshot bid to overturn Joe Biden's victory.

Among other last-ditch tactics: personally calling local election officials who are trying to rescind their certification votes in Michigan, suggesting in a legal challenge that Pennsylvania set aside the popular vote there and pressuring county officials in Arizona to delay certifying vote tallies.

Election law experts see it as the last, dying gasps of the Trump campaign and say Biden is certain to walk into the Oval Office come January.

Trump ... has invited Michigan's Republican legislative leaders, Senate Majority Mike Shirkey and House Speaker Lee Chatfield, to the White House, according to officials

GOP senator Mitt Romney accused Trump of resorting to "overt pressure on state and local officials to subvert the will of the people and overturn the election." Romney added, "It is difficult to imagine a worse, more undemocratic action by a sitting American President."

The increasingly desperate and erratic moves have no reasonable chance of changing the outcome of the election. But the president's barrage of baseless claims, his work to personally sway local officials who certify votes and his allies' refusal to admit he lost is likely to have a lasting negative impact on the country. Legions of his supporters don't believe he lost.

"It's about trying to set up the conditions where half of the country believes that there are only two possibilities, either they win or the election was stolen," said Justin Levitt, a constitutional law scholar and professor at Loyola Law School. "And that's not a democracy."

Earlier this week, the two GOP canvassers in Michigan's Wayne County blocked the certification of votes there. They later relented and the results were certified. But a person familiar with the matter said Trump reached out to the canvassers, Monica Palmer and William Hartmann, after the revised vote to express gratitude for their support.

Then, on Wednesday, Palmer and Hartmann signed affidavits saying they believed the vote "should not be certified." They cannot rescind their votes, according to the Michigan secretary of state.

Trump appears intent on pushing the issue. He has invited Michigan's Republican legislative leaders, Senate Majority Mike Shirkey and House Speaker Lee Chatfield, to the White House, according to two officials familiar with the matter who were not authorised to speak publicly.

Don't use remdesivir on hospitalised Covid patients, says WHO

REUTERS
LONDON, November 20

GILEAD'S REMDESIVIR SHOULD not be used for patients hospitalised with Covid-19, regardless of how ill they are, as there is no evidence the drug improves survival or reduces the need for ventilation, a World Health Organization panel said on Friday.

"The ... panel found a lack of evidence that remdesivir improved outcomes that matter to patients," the guideline said.

"Especially given the costs and resource implications associated with remdesivir... the panel felt the responsibility should be on demonstrating evidence of efficacy, which is not established by the currently available data," it added.

The advice is another setback for the drug, which grabbed worldwide attention as a potentially effective treatment for Covid-19 in the summer.

The antiviral, known by the brand name Veklury, is one of only two medicines currently authorised to treat Covid-19 patients across the world. But a large WHO-led trial known as the Solidarity Trial showed last month that it had little or no effect on 28-day mortality or length of hospital stays for Covid-19 patients.

It was one of the drugs used to treat US President Donald Trump's coronavirus infection, and had been shown in previous studies to have cut time to recovery. It is authorised or approved as a Covid-19 treatment in more than 50 countries.

Gilead has questioned the Solidarity Trial's results and said in a statement on Friday it was "disappointed" at the new WHO guideline. "Veklury is recognised as a standard of care for the treatment of hospitalised patients with Covid-19 in guidelines from numerous credible national organisations," it said.

"The WHO guidelines appear to ignore this evidence at a time when cases are dramatically increasing around the world and doctors are relying on Veklury as the first and only approved antiviral treatment for patients with Covid-19."

Covid reinfection unlikely for six months: Study

PEOPLE WHO'VE had Covid-19 are highly unlikely to contract it again for at least six months after their first infection, according to a British study of healthcare workers on the frontline of fight against the coronavirus pandemic. The findings should offer some reassurance for the more than 51 million people worldwide who have been infected with the pandemic disease, researchers at the University of Oxford said. "This is really good news, because we can be confident that, at least in the short term, most people who get Covid-19 won't get it again," said David Eyre, a professor at Oxford's Nuffield Department of Population Health, who co-led the study. The study covered a 30-week period between April and November 2020. Its results have not been peer-reviewed by other scientists but were published before review on the MedRxiv website. — REUTERS

Quick View

BuzzFeed all set to acquire HuffPost from Verizon Media

DIGITAL-MEDIA GIANTS BUZZFEED and HuffPost have decided to join forces, the companies announced on Thursday. BuzzFeed will acquire HuffPost from its owner, Verizon Media, as part of a larger stock deal. The BuzzFeed and HuffPost websites will remain distinct, each with its own editorial staff. BuzzFeed founder Jonah Peretti, who helped found HuffPost 15 years ago, will serve as the chief executive.

China defies Musk's warnings on hydrogen

TESLA CEO ELON Musk has spent years mocking the idea of using hydrogen fuel cells rather than electric batteries to power next-generation green vehicles. "Fuel cells = fool sells," he tweeted in June. China, the world's biggest market for electric vehicles, isn't so quick to dismiss the alternative to batteries. Officials are promoting the development of hydrogen-powered cars, trucks and buses, with Beijing offering to reward cities that achieve adoption targets.

J&J gets $325 million talc verdict slashed by judge

JOHNSON & JOHNSON persuaded a New York judge to slash by about two-thirds a $325 million jury award to a woman who blamed her asbestos-related cancer on use of the company's baby powder. Justice Gerald Lebovits in Manhattan on Thursday declined to throw out the entire 2019 award to Donna Olson and her family, after finding there was evidence to support the jury's verdict. He cut the award to $120 million.

Vaccine: Pfizer applies for US emergency use

REUTERS
November 20

PFIZER SAID IT will apply to US health regulators on Friday for emergency use authorisation (EUA) of its Covid-19 vaccine, the first such application in a major step toward providing protection against the new coronavirus.

The application to the US Food and Drug Administration (FDA) comes just days after Pfizer and German partner BioNTech reported final trial results that showed the vaccine was 95% effective in preventing Covid-19 with no major safety concerns. Pfizer's shares rose 1.6% and BioNTech climbed 6% on the news that a vaccine could soon be available, raising hopes for the end of a pandemic.

If the data is solid, "we literally could be weeks away from the authorisation of a 95% effective vaccine," US health secretary Alex Azar said on a television show.

The companies expect the FDA to grant the EUA by mid-December and said they will begin shipping doses almost immediately. Pfizer has said it expects to have 50 million vaccine doses ready this year, enough to protect 25 million people.

An FDA advisory committee tentatively plans to meet December 8-10 to discuss the vaccine, a source familiar with the situation told Reuters.

Explosive growth recorded across US

MAPS TRACKING new coronavirus infections in the US were bathed in a sea of red on Friday morning, with every state showing the virus spreading with worrying speed. More than 250,000 people have died in the United States, a number that grew by another 1,962 on Thursday. The Covid Tracking Project reported that more than 80,000 people were in hospital, the highest since the pandemic began. The White House coronavirus task force appeared in public for the first time in months, along with Vice President Mike Pence, who said the country was in fine shape. He did not wear a mask and did not take questions. By contrast coronavirus response coordinator Dr Deborah L. Birx issued a dire assessment of the pandemic. "Every American needs to be vigilant in this moment," she said. — THE NEW YORK TIMES

Apple defends delay of privacy feature, slams FB

BLOOMBERG
November 20

APPLE ON THURSDAY slammed Facebook and other internet giants for their ad-targeting practices in response to a letter questioning a decision by the iPhone maker to delay a new privacy feature.

The California-based technology company criticised Facebook's approach to advertising and user tracking, according to a written reply sent to several human rights and privacy organisations, including the Electronic Frontier Foundation and Human Rights Watch.

Apple's letter, reviewed by Bloomberg News, defended the company's decision to delay an iPhone feature that requires users to give explicit permission before letting apps track them for advertising purposes. The enhancement was added as part of the company's iOS 14 operating system in September, but a requirement that all apps use it was delayed until early 2021 after several developers, including Facebook, said the change would hurt their businesses.

Facebook responded Thursday afternoon with a long statement accusing Apple of trying to distract users from its own privacy issues.

10 to 11 views of hate speech for every 10k views of content globally in Q3: Facebook

PRESS TRUST OF INDIA
New Delhi, November 20

SOCIAL MEDIA GIANT Facebook has for the first time disclosed prevalence of hate speech on its platform, saying that out of every 10,000 content views globally in the third quarter, 10-11 were hate speech.

Facebook, which has 1.82 billion daily users globally, has drawn flak in the past for its handling of hate speech on the platform in India that is among its biggest markets.

In its Community Standards Enforcement Report for September 2020 quarter, Facebook said it is including the prevalence of hate speech on its platform globally "for the first time".

"In Q3 2020, hate speech prevalence was 0.10%-0.11% or 10 to 11 views of hate speech for every 10,000 views of content," it added.

Facebook said due to its investments in artificial intelligence, the company has been able to remove more hate speech and find more of it proactively before users report it. "Our enforcement metrics this quarter, including how much hate speech content we found proactively and how much content we took action on, indicate that we're making progress in catching harmful content," it added.

Prevalence, on the other hand, estimates the percentage of times people see violating content on its platform, Facebook explained.

During the third quarter, Facebook took action on 22.1 million pieces of hate speech content, about 95% of which was proactively identified. On Instagram, the company took action on 6.5 million pieces of hate speech content (up from 3.2 million in June quarter), about 95% of which was proactively identified (up from about 85% in the previous quarter), it added.

Airlines need another $80 bn to survive: IATA

REUTERS
Paris, November 20

AIRLINES WILL NEED $70-80 billion in aid to survive the coronavirus crisis, or another half again of the amount already received from governments, their global industry body warned.

"We are extremely grateful to them for having injected $160 billion into the sector," Alexandre de Juniac, director general of the International Air Transport Association (IATA), said on Friday at the Paris Air Forum, hosted by newspaper La Tribune. "For the coming months, the industry's needs are evaluated at $70-80 billion in additional aid," De Juniac said. "Otherwise, some airlines will not survive." While vaccine breakthroughs offer hope, a return to mass travel remains many months away, airlines say. Some will struggle to make it through the northern hemisphere winter, when profits are thin even in normal times.

Meanwhile a renewed surge in Covid-19 infections and travel curbs has further dimmed the financial outlook for a sector which IATA has predicted is set to lose $87 billion this year. "It's quite probable that we will be looking at bigger losses than the figures we announced," De Juniac said, adding that the full-year deficit would likely approach $100 billion.

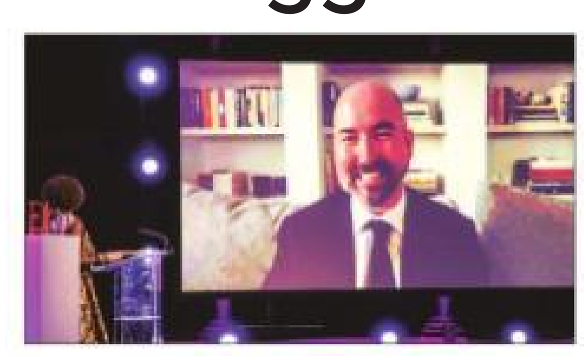
IATA has predicted a slow recovery with a return to pre-crisis traffic levels only in 2024 and passenger numbers still down 30% next year. That too could prove optimistic, De Juniac warned. "We estimate that air traffic will be at 33% of its 2019 level at the end of 2020 and then, we hope, 50-60% at the end of 2021."

Douglas Stuart's 'Shuggie Bain' wins Booker

PRESS TRUST OF INDIA
London, November 20

NEW YORK-BASED SCOTTISH writer Douglas Stuart has won the prestigious 50,000-pound Booker Prize for his autobiographical debut novel 'Shuggie Bain', a coming of age tale of love and alcoholism set in 1980s Glasgow and "destined to be a classic", beating five other authors including Indian-origin Avni Doshi.

Stuart, 44, dedicated the book to his mother, who died of alcoholism when he was 16 years old. After graduating from the Royal College of Art in London, he moved to New York to start a career in fashion design. "I cannot believe this. Shuggie is a work of fiction but writing the book was extremely healing for me; hugely cathartic," Stuart said, adding that he was "absolutely stunned" to win the coveted prize.



Douglas Stuart speaks at the 2020 Booker Prize Awards Ceremony in London on Thursday. PHOTO: AP

"I always wanted to be a writer so this is fulfilling a dream. This has changed my entire life," he said in his acceptance speech on Thursday.

Stuart has worked for various brands, including Calvin Klein, Ralph Lauren and Gap. He started writing in his spare time a decade ago.

Dubai-based Indian-origin writer Doshi, who was shortlisted among the final six authors for her debut novel 'Burnt Sugar', lost out on the top prize. She was in the running alongside Zimbabwean writer Tsitsi Dangarembga for the third novel in her trilogy 'This Mournable Body', on a shortlist otherwise dominated by US authors: Diane Cook for 'The New Wilderness', Maaza Mengiste for 'The Shadow King' and Brandon Taylor for 'Real Life'.

Motobahn

SATURDAY, NOVEMBER 21, 2020

SUPER CAR SURPRISES

Stephan Winkelmann, new President & CEO, Automobili Lamborghini

"Bugatti stands for the best, most powerful, elegant and luxurious hyper sports cars in the world. Lamborghini is the iconic expression of the most exclusive super sports cars demonstrating outstanding design and innovation. Our creativity in both the companies is by no means finished and the world is assured some surprises."

Maruti Suzuki gains from the diesel to petrol shift

Despite exiting the diesel engine space this year, Maruti recorded highest ever sales in October, with 51% market share

VIKRAM CHAUDHARY

DESPITE EXITING THE diesel engine space earlier this year, Maruti Suzuki has been able to clock 51.1% market share in the Indian passenger vehicle (PV) segment—in October 2020 (retail sales)*. The company attributes this to a strong petrol and CNG PV portfolio. In the April-October 2020 period, Maruti Suzuki's retail sales share stood at 50.4%.

In October 2020, helped by the pent-up demand and festive season sales—as well as a section of commuters shifting from public transport to private vehicles—Maruti Suzuki sold 1,66,825 vehicles in India, including 1,63,656 PVs and 3,169 light commercial vehicles (the Super Carry)—the highest-ever wholesale figures for the company. (The previous highest sales for a month happened in April 2018, when the company sold 1,64,978 units.)

In addition, in October 2020, four Maruti Suzuki models sold their highest-ever numbers (wholesale figures). These include the Swift (24,589), the Baleno (21,971), the WagonR (18,703), and the Eeco (13,309). Also, the retail sales for the Eeco (16,053) and the Ertiga (12,451) were at a peak in the same month.

Shashank Srivastava, executive director, Marketing & Sales, Maruti Suzuki

Shashank Srivastava, executive director, Marketing & Sales, Maruti Suzuki India, says that exiting the diesel engine space hasn't hugely impacted sales of company cars. "There is a shift happening from diesel to both petrol and CNG. Last year, the sales share of diesel PVs was about 30%, but in October 2020 it has gotten reduced to just 17%. Reasons include the price of diesel and petrol fuel now almost equal at many places, and after BS6 the sticker price of diesel cars has increased, with the price difference between petrol and diesel cars at almost Rs 1.5 lakh."

In fact, he shares that in hatchback cars, the sales share of diesel engine models has gotten reduced to a minuscule 0.3%. "In the April-October 2020 period, less than 0.3% diesel cars were sold in the overall hatchback segment. In hatchbacks and sedans together, the diesel engine sales share is less than 2%, and in the MPV segment it is 22%. It's only in the SUV space where diesel engines enjoy a substantial share, but even within that in entry-level SUVs the share is 30%," Srivastava says.

Maruti Suzuki hasn't lost out majorly on sales in the fleet segment (primarily diesel and CNG). A reason is that due to the Covid-19 lockdown overall fleet sales have been muted. "Whenever the demand revives in the fleet segment, we have our CNG options ready; we currently offer eight car models in CNG," Srivastava adds.

According to some analysts, the current car sales spurt is expected to continue till December, after which it may adjust to the 'real' market demand. Srivastava says that Maruti Suzuki is likely to clock high sales in December, because the bookings with the company are substantial, but beyond that "it's a question mark," he adds. "We're not sure which way the situation will move especially with Covid-19. Also, car sales are directly connected to GDP per capita, and we aren't sure about the overall economic fundamentals, going forward. These two uncertain factors make the forward-guidance difficult, January onwards."

**(Calculated by the author from data provided by industry sources)*

A new sub-4 metre SUV

Renault to launch the Kiger in India early next year

FE BUREAU

EARLIER THIS WEEK, Renault India announced it will launch a sub-4 metre SUV called the Kiger. It will be built on the same platform as the Triber, and will be an international launch for Groupe Renault. The company said it will also introduce an all-new global engine with the Kiger.

Venkatram Mamillapalle, country CEO & managing director, Renault India Operations, said, "The Kiger is our all-new B-SUV that will stand out as an attractive, smart and exciting offering from Groupe Renault. The global launch will be in India, after which it will be launched in other markets. After the Kwid and the Triber, the Kiger is the third global car from Groupe Renault to be launched in India first."

The company said that the Kiger show car (in photos) is the result of a deep dive and complete analysis of Indian customers' expectations in the B-segment. "With this show car, Groupe Renault has demonstrated the broad outlines for the Kiger that will provide new options to customers looking for a B-hatchback, B-SUV, upgraders from the entry-level car segment, and will cater to both the domestic market in India as well as global markets," the company said in a statement.

From the racetrack to the road

Lamborghini unveils the Huracán STO

FE BUREAU

AUTOMOBILI LAMBORGHINI this week unveiled the Huracán STO (Super Trofeo Omologata)—a road-homologated super sports car inspired by the racing heritage of Squadra Corse's one-make race series with Huracán Super Trofeo EVO, as well as its three-time 24 Hours of Daytona-winning and two-time 12 Hours of Sebring-winning Huracán GT3 EVO.

With its V10 naturally-aspirated 640 horsepower (470 kW) engine producing 565Nm at 6,500rpm, the rear-wheel drive Huracán STO has a claimed acceleration of 0-100 km/h in 3 seconds, 0-200 km/h in 9 seconds and a top speed of 310 km/h.

It produces 640 horsepower and 565Nm torque, and the acceleration is claimed at 0-100 km/h in 3 seconds

"The Huracán STO is the purest incarnation of the Squadra Corse heritage," said Automobili Lamborghini chairman & CEO, Stefano Domenicali.

CTO Maurizio Reggiani added, "The STO delivers the excitement of a balanced, lightweight and aerodynamic super sports car, mirroring the driving feel and exhilaration of Super Trofeo, and set up for the track but created for the road."

The Huracán STO sports a new exterior design. Head of Design Mitja Borkert said, "Racing cars are always a strong inspiration for our design. The STO reflects the technology transfer from our successful Huracán race cars, displayed in every aesthetic detail." Lamborghini says that an integrated 'shark fin' on the rear bonnet improves the dynamic abilities of the STO, particularly when cornering. It uses carbon fibre in more than 75% of its exterior panels, and has a 'dry weight' of 1,339 kg (reduced by 43 kg compared to the already lightweight Huracán Performante). It gets magnesium rims, fitted with Bridgestone Potenza tyres, available in two versions: one road-focused, another track-oriented.

Deliveries of the Huracán STO will start globally in early 2021, and its price will be announced that time.

Investor

SHREE CEMENT RATING: BUY

Robust second quarter for the company

New capacities to drive growth; EPS raised by 36% for FY21e and 13-15% for FY22-23e; upgraded to Buy with TP up to ₹27,500

SRCM'S STANDALONE EBITDA at ₹9.9 bn (+17% y-o-y, +41% q-o-q) came in 10%/ 20% above our forecast/ Bloomberg consensus estimate, driven by higher volume (+14% y-o-y vs our estimate of +12% y-o-y) and 1% higher blended realisations at ₹231/bag (vs estimate of ₹229/bag). Overall per unit costs at ₹3,114 (-9% y-o-y, -6% q-o-q) were also 2% below estimates. With higher realisation and lower opex, blended Ebitda at ₹1,513/t (+3% y-o-y, +6% q-q) was 8% above estimate of ₹1,403/t.

Rural and semi urban housing demand remains strong while infra demand has picked up. We expect demand recovery to accelerate further post festive period. We increase our FY21F/22F/23F cement volume assumptions by 14%/11%/8% and now assume 3% y-y growth in FY21F, followed by 17%/12% y-y growth in FY22-23F. We expect higher realisations to offset cost inflation and record-high Ebitda margins to sustain.

New capacities to drive above industry growth
SRCM has been gaining market share driven by ramp-up of newer capacities. Compared to ~6-12% y-o-y decline for large cap peers over past 12 months, SRCM's volumes were up 1% y-o-y despite COVID-19 lockdowns. Now, with the commissioning of new 6mt capacity by Dec-20, we expect further market share gains for SRCM. Recently announced clinker line-3 at Raipur should provide further headroom for growth in fast-growing East India. Further, management highlighted plans to increase grinding capacity from ~40mt to ~57mt over next three years and subsequently to ~80mt over the next 6-7 years.

We increase our FY21F/22F/23F volume estimates by 14%/11%/8% and now assume 3% y-o-y growth in FY21F, followed by 17%/12% y-o-y growth in FY22-23F

Raise Ebitda/earnings and target price to ₹27,500; upgrade to Buy
Driven by higher cement volumes and lower costs, we raise our FY21F/22F/23F core Ebitda by 16%/ 12%/9%, while earnings increase by sharp 36% in FY21F due to lower depreciation and by 13-15% for FY22-23F. We now expect 35% y-o-y EPS growth in FY21F followed by 20%/26% y-o-y growth in FY22-23F, for a 27% FY20-23F EPS CAGR. With above-industry growth rates and profitability, we now value SRCM on 17x Dec-22F EV/Ebitda (earlier 16x Sep-22F EV/Ebitda).

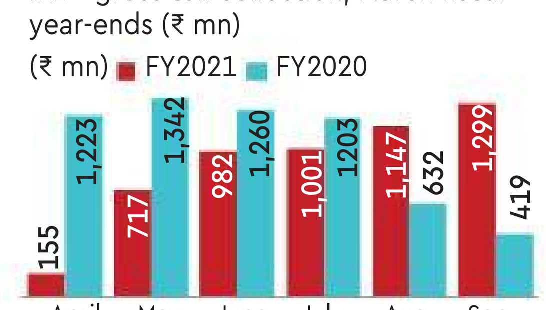
SRCM – Adjusted EPS trends and forecasts
As compared to 5% CAGR over FY17-20, we expect 27% CAGR over FY20-23F
(₹/sh)

Source: Company data, Nomura estimates

Driven by our Ebitda/multiple increases and roll-forward of valuations, we raise our TP to ₹27,500 (from ₹22,000), implying 17% upside. With an improved outlook and recent underperformance vs peers, we upgrade SRCM to **Buy** (from Neutral). The stock currently trades at 17.6x FY22F EV/Ebitda.

NOMURA

Gross toll collection for comparable projects has crossed pre-Covid level
IRB - gross toll collection, March fiscal year-ends (₹ mn)



Source: Company, Kotak Institutional Equities estimates

IRB INFRASTRUCTURE RATING: BUY

Jump in toll collection the highlight

Higher debt, SPVs' losses hit earnings; FY22/23 estimates down 9/3%; 'Buy' retained

BETTER TOLL COLLECTIONS across projects offset the impact of lower EPC revenues during the quarter to some extent. Increased interest expense and share of losses from SPVs impacted earnings for the quarter. Cash profit, however, remained positive. A second tranche of payment from GIC is expected shortly, with the balance expected by FY2022. We cut estimates by 9%3% for FY2022/23 to factor in higher debt and revise our fair value to ₹145 (from ₹150). Retain **Buy**.

Results impacted by higher debt and losses from SPVs: Revenues were lower than our estimates as the impact of improvement in toll collection was offset by lower EPC revenues. Margins remained strong for both EPC and BOT segments; however, increased interest expense on higher debt and losses from SPVs resulted in lower-than-expected PAT. The company expects to complete construction on Agra-Etawah and 2 Rajasthan projects during H2FY21.

Toll collections from Mumbai-Pune and Ahmedabad-Vadodara project jumped sharply q-o-q on revival of economic activity. Net debt has moved up on consolidation of the Mumbai-Pune project and higher debt at a parent level. IRB expects gross debt to remain high during FY2021 as against earlier expectations of a decline by the year-end. Operational cash flows declined y-o-y and FCF declined on lower OCF and higher capex for the Mumbai-Pune project.

Second tranche of payment from GIC expected in Nov 2020: Of total proceeds of ₹44 bn from GIC for a 49% stake in private InVIT, the first tranche of ₹37.5 bn was infused during Feb, 2020 and utilised for debt reduction and construction requirement. The second tranche of ₹2.5 bn via subscription to right issue of ₹5.1 bn of private InVIT will come during Nov, 2020. This will be sufficient to meet the incremental equity requirements of ₹4-4.5 bn for the portfolio. Remaining amount of ₹4 bn will come over the next 9-12 months.

Revision in guidelines to make HAM projects attractive: IRB's EPC order book of ₹51 bn provides limited revenue visibility till H1FY22. Recently proposed changes in HAM project guidelines that recommend the linking of interest rates with MCLR plus 125 bps (as against bank rate plus 300 bps earlier) is expected to reduce the interest rate differential between the annuity payments and interest paid by SPVs and will make HAM projects more attractive. Along with this, speedier release of NHAI's proportion of payment will shore up liquidity for developers. IRB would thus be eyeing both HAM and BOT projects. We build in ₹45 bn of order inflows for FY2021/22 for the company.

Cut estimates by 9/3% for FY22/23; retain Buy: We revise our estimates to factor in higher debt, improved toll revenues and lower EPC revenues. Net of roll forward, revised fair value stands at ₹145 (₹150 earlier).

KOTAK INSTITUTIONAL EQUITIES

Nissan to launch the Magnite on December 2

FE BUREAU

NISSAN INDIA HAS said it will reveal the price of the Magnite sub-4 metre SUV on December 2. "The upcoming launch of the all-new Magnite is a symbol of Nissan's commitment to the Indian market. This SUV will come at a special introductory price with many special offerings for the customers who have been waiting for its launch," said Rakesh Srivastava, MD, Nissan Motor India.

"The new Magnite plays a vital role in the Nissan NEXT strategy. It's an SUV that is made in India, made for the world. As we continue to prioritise and invest in the Indian consumer, we aim for the Magnite to be the first product that will enable sustainable growth," added Sinan Ozkok, president, Nissan Motor India.

HMSI celebrates 800 MotoGP wins

HONDA Motorcycle & Scooter India has launched Repsol Honda limited editions of the Hornet 2.0 motorcycle and the Dio scooter. While the Hornet 2.0 Repsol Honda edition is priced ₹1,28,351, the Dio Repsol Honda edition is priced ₹69,757 (both ex-showroom, Gurgaon). Both these get a design theme inspired by Repsol Honda—the official factory team of Repsol and the Honda Racing Corp in MotoGP World Championship. Atsushi Ogata, MD, president & CEO, HMSI, said, "Honda and Repsol have continued the winning streak on the race track. The recent 800th MotoGP win is a testimony of Honda's racing spirit. Celebrating this achievement, we are unveiling the Repsol Honda editions of the Hornet 2.0 and the Dio for racing enthusiasts in India." While the Dio is powered by a 110cc engine, the Hornet 2.0 gets the 184cc engine.

—FE BUREAU

Markets

SATURDAY, NOVEMBER 21, 2020

EXPERT VIEW

Foreign investor inflows are driving up markets, but watch out for a correction in the following days. Domestically, there is selling pressure because of high valuations.

—Umesh Mehta, head of research, Samco Securities

Money Matters

G-SEC

Benchmark yield rose under selling pressure 0.003%

₹/$

The rupee ended higher on strong local equities and FII flows 0.168%

€/$

The euro fell against the dollar 0.042%

Quick View

Tamilnad Mercantile Bank H1 net rises 60% to ₹242 crore

TAMILNAD MERCANTILE BANK (TMB) has reported a net profit of ₹241.54 crore for the first half ended September 30 as compared to ₹151.07 crore for the same period last year, registering a growth of 60%. Total income of the bank for H1 was at ₹2,097.48 crore as compared to ₹1,927.02 crore, marking an increase of 8.8%. The total business of the bank stood at ₹66,765.27 crore with a growth rate of 9.72% while deposit and advance portfolio stood at ₹37,161.40 crore and ₹29,603.87 crore respectively, TMB said in a statement.

Repco Home Fin Q2 net falls 19.6% to ₹81 crore

REPCO HOME FINANCE has reported a 19.6% decline in its net profit at ₹80.80 crore for the second quarter of FY21 as against ₹100.60 crore in the corresponding quarter last fiscal. The total income of the company stood at ₹350 crore as against ₹336 crore, growing by 4.1%. The overall loan book grew by 5% to ₹12,089 crore at the end of September 2020. Loans to the self-employed segment accounted for 51.7% of the outstanding loan book and loans against property product accounted for 18.9% of the same, Repco Home Finance said in a statement.

AU SFB to focus on auto, MSME loans in pan-India pursuit

MITHUN DASGUPTA
Kolkata, November 20

AU SMALL FINANCE Bank, which saw its overall collection efficiency getting back to near pre-Covid levels, will focus on vehicle and MSME loans to grow its loan book as the lender is expanding presence in southern and eastern parts of the country.

Until recently, the Jaipur-based SFB had no presence outside western and northern India. In its pursuit of becoming a pan-India player, the bank forayed into south India in August and commenced operations in Bengaluru. It has opened three branches in Uttar Pradesh. Last week, it entered eastern India by opening a branch in Kolkata.

"We have decided that we will have a pan-India presence. We will open a branch in Bhubaneswar this month. A new branch in Hyderabad will come up. And, by the first quarter of the next financial year we should be present in all the major state capitals. We will be present in Ranchi, Patna, Chennai, Visakhapatnam, Kochi and Guwahati. One more branch in Kolkata will also be launched," said Rishi Dhariwal, group head, Branch Banking.

Currently, the bank has as many as 382 full fledged branches and over 710 banking touchpoints.

LARGE IPOs

Sebi proposes relaxation in equity dilution norms

The markets regulator noted that securities markets, including the market for IPOs, are dynamic and need to keep pace with the evolving scenario

PRESS TRUST OF INDIA
New Delhi, November 20

MARKETS REGULATOR SEBI on Friday proposed to reduce the minimum offer size in an initial share-sale, whereby companies with a post-issue capital of above ₹10,000 crore would be required to offer at least 5% stake in IPO.

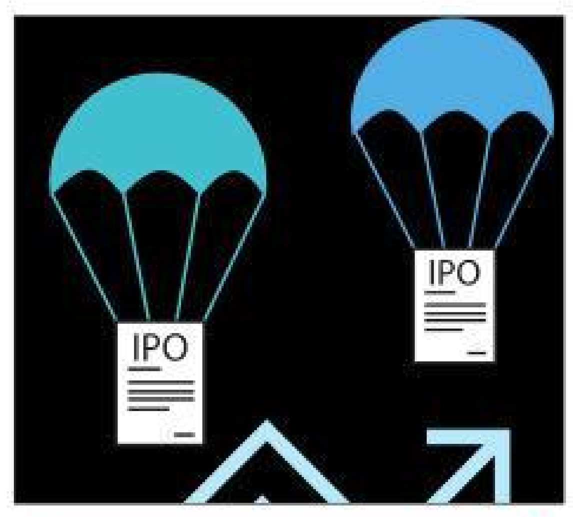
At present, all companies with a post-issue capital above ₹4,000 crore are compulsorily required to dilute at least 10% shareholding in initial public offering (IPO).

In view of the proposal, Sebi said there could be a scenario where large issuers may not be compliant with 10% minimum public shareholding (MPS) at the time of listing.

Accordingly, the regulator recommended that MPS of 10% should be achieved in 18 months by such issuers and 25% within 3 years from the date of listing.

Further, the regulator has suggested to provide additional time to comply with MPS of 25% in case of very large issuers with post issue market capitalization (MCap) of ₹1 lakh crore and above.

For such issuers, it has been proposed that minimum of 10% should be achieved in two years and 25% within five years from the date of listing, the Securities and Exchange Board of India (Sebi) said in a consultation paper.



REFORM PROCESS

- At present, all companies with a post-issue capital above ₹4,000 crore are compulsorily required to dilute at least 10% shareholding in IPO
- Sebi recommended that MPS of 10% should be achieved in 18 months by such issuers and 25% within 3 years from the date of listing
- The regulator also suggested to provide additional time to comply with MPS of 25% in case of very large issuers with post issue market capitalisation of ₹1 lakh crore and above

Currently, companies need to achieve MPS of 25% within three years of listing.

Sebi noted that securities market, including the market for IPOs, is dynamic and needs to keep pace with the evolving market condition.

"It is proposed to reduce minimum offer to public for large issuers to 5% of post issue capital exceeding ₹10,000 crore," the regulator noted.

Sebi has sought comments from public till December 7 on the proposals.

The regulator said that market participants have provided feedback that the compliance with minimum offer to public requirement — at least 10% of post issue paid up — is cumbersome for large issuers.

It has been represented that such large issuers already have investments by private equity or other strategic investors, who are classified as public shareholders.

Moreover, mandating minimum 10% of post issue MCap at the time of IPO leads to unnecessary dilution of holding of the promoter or existing shareholder and is therefore a constraining factor for listing, market participants said.

According to an analysis carried out in respect of public issuances since 2010, it has been observed that the average issue size of IPO or OFS on main board has increased in the last decade, while the number of issues coming for initial share-sale or offer-for-sale on the main board has declined, Sebi said.

This trend of larger issuances is expected to continue, it added.

Markets bounce back, Sensex soars 282 pts

AGENCIES
Mumbai, November 20

SHARES BOUNCED BACK on Friday from a sharp fall in the previous session, taking their cue from an advance in global markets and driven by signs of a faster-than-expected recovery in business activity. Markets rose as banking, finance and telecom counters saw robust demand. A recovering rupee and unabated foreign fund inflows added to the momentum, traders said.

After a choppy session, the Sensex ended 282.29 points, or 0.65%, higher at 43,882.25.

The broader NSE Nifty rose 87.35 points, or 0.68%, to close at 12,859.05.

Bajaj Finserv was the top gainer in the Sensex pack, rallying 9.13%, followed by Titan, Bajaj Finance, Kotak Bank, Bharti Airtel, Nestle India, NTPC and HDFC Bank. Bharti Airtel finished 3.18% higher after Bharti Infratel and Indus Towers announced the completion of their merger deal to create a mega tower company.

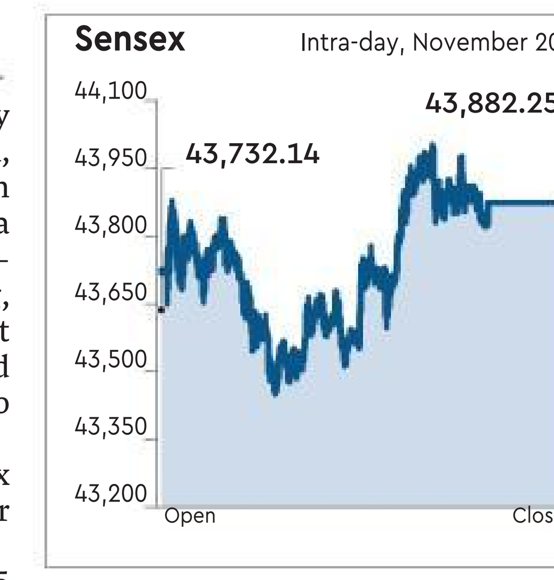
On the other hand, Reliance Industries, IndusInd Bank, Sun Pharma, ONGC, Axis Bank, HUL and L&T were the losers, skidding up to 3.72%.

During the holiday-shortened week, Sensex rose 439.25 points or 1.01%, while the Nifty advanced 139.10 points or 1.09%.

"Domestic equities gained amid mixed global cues. A sharp rebound in heavyweight financials on news that the government may be considering corporate and foreign bank participation in privatization of select PSBs led market to move higher.

"Additionally, buying momentum in mid-cap and small-caps remained visible in the backdrop of improved prospects of earnings improvement. We continue to maintain our cautiously optimistic approach about the market as underlying strength of markets remains intact," said Binod Modi, head of strategy at Reliance Securities.

BSE telecom, consumer durables, power, finance, teck, utilities, bankex and FMCG indices rallied as much as 4.73%, while BSE



Gainers & Losers (NSE)

Company	Price (₹)	% chg
GAINERS		
Bajaj Finserv	8,542.60	17.6
Tata Motors	169.10	15.5
M&M	715.60	13.6
Tata Steel	532.90	9.5
Bajaj Finance	4,715.85	7.8
LOSERS		
RIL	1,899.50	-4.9
Hero MotoCorp	2,998.65	-4.2
Dr Reddy's Lab	4,670.95	-3.8
Coal India	121.45	-3.5
HUL	2,120.25	-3.0

energy was the sole sectoral laggard.

Broader BSE midcap and smallcap indices soared up to 1.22%.

Elsewhere in Asia, the bourses in Shanghai, Hong Kong and Seoul ended on a positive note, while Tokyo was in the red.

Brent crude futures, the global oil benchmark, rose 0.41% to $44.38 per barrel.

The rupee appreciated by 11 paise to finish at 74.16 against the US dollar.

Meanwhile, foreign institutional investors remained net buyers in the capital markets as they purchased shares worth ₹1,180.61 crore on Thursday, according to provisional exchange data.

RBI delays final merger scheme of Lakshmi Vilas Bank to next week

PRESS TRUST OF INDIA
Mumbai, November 20

THE RESERVE BANK did not issue the final merger scheme for Lakshmi Vilas Bank (LVB) with DBS India on Friday as stated earlier and is likely to do so only next week, according to a central bank official. While placing LVB under a moratorium and then issuing a draft amalgamation scheme on November 17, the RBI had said it would issue the final merger scheme on November 20 so as to help complete the resolution for the 94-year-old lender by December 16.

Meanwhile, KR Pradeep, the single largest promoter of the crippled Lakshmi Vilas Bank with a 4.8% shareholding, has said that Singapore's DBS was keen to acquire 50% stake in the lender for a high valuation in 2018 but the Reserve Bank did not allow the deal to go through.

With the Reserve Bank of India (RBI) superseding Lakshmi Vilas Bank's board and mooting its merger with DBS Bank India, Pradeep also said he was confident that the central bank will be kind enough to listen to all the shareholders and promoters, and will not let them go empty handed.

Currently, Pradeep's 4.8% shareholding in the lender does not have any value and

so are the rest of the promoter and other shareholders, including retail shareholders who own around 45% of its equity.

Apart from Pradeep, there are three other promoter families — N Ramamritham, N T Shah and S B Prabhakaran — who collectively own 2%.

Together with Pradeep, the promoters' holding is just 6.8%. Institutional investors led by Indiabulls Housing have around 20% stake in the 94-year-old lender.

According to Pradeep, promoters are also looking at approaching markets watchdog Sebi but will wait for the final scheme of merger that the RBI will announce later on Friday.

"We have full faith that as the regulator the Reserve Bank will give us a patient hearing and that our inputs and objections to the draft scheme will be considered before taking a final call. So, it is too early to say whether we will be mounting a legal challenge to the regulatory decision," Pradeep told *PTI* on Friday.

Bengaluru-based Pradeep is a senior lawyer at the Supreme Court and also a chartered accountant. Before the RBI superseded the LVB board on November 17, and placed it under moratorium, he was a director of the bank that was launched in Karur in Tamil Nadu in 1926.

According to the draft merger scheme, the entire paid-up share capital of the bank will be written off upon the merger, which the RBI wants to be completed by December 16. This has shocked the bank's equity investors and some of them have threatened to seek legal remedies.

"In 2018, LVB appointed JP Morgan to scout for investors for a capital raising plan. JP Morgan invited a large number of investors and the offers ranged from ₹100-155 a share. Then, DBS approached JP Morgan and offered ₹100 a share and was ready to pick up at least 50% stake of the bank," Pradeep said.

Kochhar in SC challenging termination from ICICI Bank; seeks all benefits

INDU BHAN
New Delhi, November 20

FORMER ICICI BANK CEO Chanda Kochhar on Friday moved the Supreme Court challenging her termination from the bank, and sought all the pensionary benefits, including bonuses and stock options, post her retirement.

Kochhar has challenged the Bombay High Court's March 5 order that dismissed her petition against her termination on the grounds that the termination was under a private contract and it can't be challenged.

"This rejection on the ground of "maintainability" by the HC is wholly erroneous, arbitrary, and contrary to law well settled by the SC", she said, adding that her termination came on January 30, 2019, almost four months after the bank approved her voluntary resignation on October 4, 2018 and therefore, the termination was "illegal, untenable and unsustainable in law".

Kochhar had approached the HC in November 2019 alleging that her termination was in violation of the rules and the lender had not sought prior approval from the RBI, and this was in breach of Section 35B(1) of the Banking Regulation Act, which renders the termination of her services as the managing director of ICICI Bank and consequential action (that too post her Retirement) illegal.


Former ICICI Bank CEO Chanda Kochhar

The HC dismissed her petition "on the sole ground of "maintainability", despite there being clear violation of a statutory obligation under The Banking Regulation Act, 1949 by both, ICICI Bank and the RBI, the petition stated.

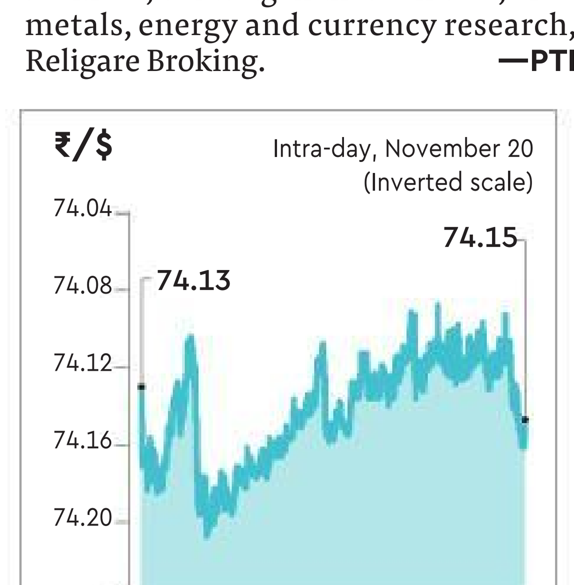
An ICICI Bank internal inquiry last year had found that Kochhar violated disclosure norms on conflict of interest. The board said her October 2018 exit would not be treated as normal resignation but as dismissal. She contended that the bank also denied her remuneration and clawed back all the bonuses and stock options between April 2009 and March 2018, for her alleged role in giving out-of-turn loans worth ₹3,250 crore to the Videocon Group which benefitted her husband Deepak Kochhar.

Rupee up 11p to close at one-week high

THE RUPEE APPRECIATED by 11 paise to settle at over one-week high of 74.16 against the US dollar on Friday, supported by positive domestic equities and sustained foreign fund inflows.

At the interbank forex market, the domestic unit opened at 74.15 against the US dollar and touched a high of 74.09 and a low of 74.21 in the day trade. It finally settled at 74.16 against the greenback, registering an increase of 11 paise over its previous close. The rupee had settled at 74.27 against US dollar on Thursday.

"The rupee is currently drawing a lot of support from equity inflows and the fact that the dollar globally is on the backfoot," said Sugandha Sachdeva, VP — metals, energy and currency research, Religare Broking. —PTI



ANALYST CORNER

Maintain 'hold' on Bharat Electronics with TP of ₹102

ICICI SECURITIES

STRATEGY TO DIVERSIFY revenue streams away from a constrained domestic defence budget was a key takeaway from Bharat Electronics' (BEL) analyst meet. BEL does not mind additional capex to achieve the same (10-15% y-o-y capex growth from the likely ₹5.5 billion in FY21). The idea, if properly executed, can allow BEL to maintain double-digit revenue growth in the foreseeable future; it also underlines the limited headroom the base business offers for continuation of growth, given scale. Maintain 'hold' with a revised target price of ₹102.

Onus is on execution. BEL targets civilian segment (including medical equipments) to move from 7% of topline to 15% in the next 2-3 years; to increase the current 10% revenue contribution from service sector (including AMCs); capture the revenue expenditure budget of the Armed Forces via entry into electronic fuses, RF seekers (new complex in Machilipatnam to be commissioned next year); and gain share in the base business, i.e. integration of missile complex (Palasamudram; another separate SBU for QRSAM in Bengaluru), entry into ammunitions, etc.

Key operational guidance. BEL hopes to manage double-digit topline growth in the foreseeable future. Order inflow for FY21 will certainly exceed FY20 inflow of ₹130 billion (mentioned ₹150 billion of possible inflow). Management hopes to maintain Ebitda margins of 20+/-1%even without any favourable policy review of cost-plus margins in nominated orders. Capex guidance for FY21 remains ₹5.5 billion with a strong outlook to capture multiple opportunities. R&D spend has been finalised at 8-10% of profit, with an eye for return as tax benefits are no longer available.

Near-term order opportunities. BEL has already accounted for execution of avionics related to LCA Mk 2, as HAL has received LoI for the same.

Initiate 'reduce' on Divi's Labs with FV of ₹3,000

KOTAK INSTITUTIONAL EQUITIES

DIVI'S HAS BUILT a global leadership across its API portfolio, and we expect it to benefit from a shift in global supply chains, driving 20% CAGR over FY2020-23E. However, for the synthesis segment, our analysis of over >350 NCEs suggests a steep and continued decline in peak tonnage requirements over time, with the opportunity from new product introductions over CY2016-18 to be only $450 million, across 60 launches. At ~35X FY2023E EPS, we believe the stock fully captures the generics growth, while ignoring the emerging headwinds to the higher valued synthesis business. We initiate with 'reduce' rating, and Fair Value of ₹3,000/share.

Over the years, Divi's has emerged as a partner of choice for several of its key Big Pharma customers for synthesis projects, with expertise in scaling up high tonnage products. Despite a near-term benefit from fast-track development of certain customer projects, largely for Covid- 19 treatments, in our view, we see risks of a significant slowdown in growth over the longer term. Our deep dive, bottom-up analysis of >350 NCEs launched post CY2000 indicates a continued and steep decline in tonnage requirements, with the trend in particular accelerating post CY2015. For example, CY2016-18 NCE launches are only likely to have a peak global API requirement of 113 tons (average: 2 tons), a sharp decline compared to 5,192 tons for CY2001-10 launches, thereby bringing down the addressable opportunity from new product introductions to $450 million, with no product in the >$25 million opportunity bucket. Even as we expect the segment to grow 15% CAGR over FY2020-23E, we expect the growth rate to moderate to high-single digits from FY2023E, and expect contribution to decline to 38% of revenues by FY2023E from 41% in FY2020, and down from peak of 51% in FY2016.

Divi's has emerged as a dominant, independent API provider globally, with leading market shares globally for 11 APIs, and dominant market share in several high-volume products such as naproxen, which now accounts for ~18% of consolidated revenues.

DEPOSITS UP 10.63%

Bank credit rises 5.67%

PRESS TRUST OF INDIA
Mumbai, November 20

BANK CREDIT GREW by 5.67% to ₹104.04 lakh crore, while deposits increased by 10.63% to ₹143.80 lakh crore for the fortnight ended November 6, according to RBI data.

In the fortnight ended November 8, 2019, bank credit stood at ₹98.46 lakh crore and deposits at ₹129.98 lakh crore.

In the previous fortnight ended October 23, bank credit had risen by 5.06% and deposits by 10.12%.

On a year-on-year basis, non-food bank credit growth decelerated to 5.8% in September, from 8.1% in the same month of the previous year, according to the RBI data.

Credit to industry recorded 'nil' growth in September 2020 as compared to a 2.7% rise in September 2019.

Credit to agriculture and allied activities rose by 5.9% during the reporting month, as against a growth of 7% in the same month last year.

The loan growth to the services sector accelerated to 9.1% in September from 7.3% per cent in the year-ago period.

Personal loans registered a growth of 9.2%, compared to a 16.6% in September 2019.

Forex reserves surge to record high of $572.8 bn

Foreign exchange reserves swelled by $4.277 billion to a lifetime high of $572.771 billion for the week ended November 13, RBI data showed on Friday.

In the previous week ended November 6, reserves had risen by a massive $7.779 billion to $568.494 billion.

In the reporting week, the jump in reserves was on account of an increase in foreign current assets (FCAs), a major component of the overall reserves.

FCAs climbed by $5.526 billion to $530.268 billion, the Reserve Bank of India's weekly data showed.

MSC Bank revises pledge loan amount for sugar mills

FE BUREAU
Pune, November 20

MAHARASHTRA STATE COOPERATIVE (MSC) Bank – the nodal body for all cooperative banks in the state, has revised loan amounts given to sugar mills on the pledged sugar stocks from 90% to 85%. The bank has also revised conversion cost of sugar from ₹250 per quintal to ₹200 per quintal and short-term loan recoveries from ₹200 per quintal to ₹250 per quintal for sugar mills.

Jaiprakash Dandegaonkar, chairman, Maharashtra State Cooperative Sugar Factories Federation (MSCSFF) has written to the bank urging reconsideration.

Vidyadhar Anaskar, chairman of the board of administrators, MSC Bank, said: "Sugar mills in the state were in financial distress last year due to drought and flood conditions. The state Cabinet had come forward urging the bank to increase the pledge loan amount, and therefore, the bank revised the loan amount from usual 85% to 90% of the pledged stocks." "During the previous season, sugar prices were fluctuating as a result of which the bank was forced to revise sugar valuations from time to time."

"As the Centre has fixed the minimum support price (MSP) of sugar at ₹3,100 per quintal, prices are stable. The bank has, therefore, decided to restore the pledge loan amounts to 85%," Anaskar said.

Sanjay Khatal, MD, MSCSFF, said sugar sales are low because of a high inventory, and a bumper crop is expected this season. Millers will be unable to pay the fair and remunerative price (FRP) to farmers which has been hiked by the Centre, he said.

According to millers, if the pledge loan amounts to 85% of the total stocks, cooperative banks will provide millers ₹2,635 per quintal as the loan amount. The maximum amount available to mills for FRP payment will then be around ₹1,700 per quintal.

Oil prices firm on vaccine hopes, weekly rise likely

AHMAD GHADDAR
London, November 20

OIL PRICES FIRMED on Friday, and were on track for a third consecutive weekly rise, buoyed by successful COVID-19 vaccine trials, while renewed lockdowns in several countries to limit the spread of the coronavirus capped gains.

Prospects for effective COVID-19 vaccines and hopes OPEC and its allies will keep production in check have bolstered oil markets this week.

Brent crude futures were up 31 cents, or 0.7%, at $44.51 a barrel at 1357 GMT.

The more active US West Texas Intermediate (WTI) January crude contract gained 17 cents, or 0.4%, to $42.07 a barrel. The WTI contract for December, which expires on Friday, was up 24 cents at $41.98.

Both benchmarks are up more than 4% so far this week.

"Concerns about demand, which have been weighing on prices since the spring, are now giving way to hopes of economic recovery, thanks in part to the imminent rollout of vaccines..." Commerzbank said.

Prices also found support from expectations the Organization of the Petroleum Exporting Countries (OPEC), Russia and other producers – a group known as OPEC+ – will delay a planned production increase. The group, which meets on November 30 and December 1, is looking at options to delay by at least three months from January the tapering of their 7.7 million barrel per day (bpd) cuts by around 2 million bpd.

"An assumed roll-over of current cuts by OPEC+ to Q1 2021 is probably in today's price of $44/barrel," Nordic bank SEB said.

Oil prices were getting some support from signs of movement on a stimulus deal in Washington after US Senate Republican majority leader Mitch McConnell agreed to resume discussions on providing more COVID-19 relief as cases surge across the US.

Oversupply concerns, however, continue to weigh as Libya has raised production to pre-blockade levels of 1.25 million bpd. **REUTERS**

Gold steadies after run of losses with ETF drawdown in focus

EDDIE SPENCE
November 20

GOLD STEADIED AFTER the longest losing run since March, as a sell-off in exchange-traded funds that was triggered by optimism over a coronavirus vaccine continued.

Prices are heading for a second weekly drop and are near the lowest since July following positive news over shots being developed by companies, including Pfizer. Global bullion ETF holdings – which were crucial to gold's rally to a record in August – are now at the lowest in more than two months.

While ETF investors have typically tended to take a long-term view of the market, the high cost of rolling futures contracts forward may have brought in more short-term traders, like hedge funds into ETFs, said Marcus Garvey, head of metals and bulks commodity strategy at Macquarie Group Ltd. That has led to more "fast money" in the products, meaning a quicker response to changes in gold's outlook.

Bullion's direction is also likely to be driven by worries over surging virus cases around the world and the outlook for stimulus measures. The Trump administration and the Federal Reserve publicly disagreed Thursday over whether to extend the central bank's emergency lending programs.

Spot gold traded little changed at $1,865.98 an ounce by 1:47 pm in London, after declining in the previous four days. Prices are down 1.2% this week and have fallen about 10% from their all-time high.

"Prices have been trapped in the $1,850-to-$1,900 range as vaccine hopes have capped gains made due to a weaker dollar," said Gnanasekar Thiagarajan, director at Commtrendz Risk Management Services. Hopes for fresh US-related stimulus in the US are lending some support to prices, he said.
BLOOMBERG

Delisting: Rationalisation of existing timelines proposed

PRESS TRUST OF INDIA
New Delhi, November 20

TO FURTHER STREAMLINE and strengthen the delisting process, Sebi on Friday proposed enhancing disclosure requirement by promoters and specified the timeline for obtaining the board's approval for voluntary delisting.

The move is aimed at making the delisting process robust, efficient, transparent and investor friendly, Sebi said in a consultation paper.

Under the proposal, the promoter or acquirer should make the public announcement of their intention to voluntarily delist the company to all the stock exchanges on which the company is listed, on the same day their intention is intimated to the company.

Currently, the proposal of the promoter or acquirer to voluntarily delist the company is disclosed to the exchanges by the company's board while the obligation to disclose the intention to voluntarily delist the firm to public is not cast on the promoter or acquirer.

KANCHI KARPOORAM LIMITED

(Corporate Identification Number: L30006TN1992PLC022109)

Registered Office: Parandur Road, Enathur Village, Karaipettai Post, Kanchipuram, Tamil Nadu- 631552, India;

Corporate Office: No.1 Barnaby Avenue, Barnaby Road, Kilpauk, Chennai, Tamil Nadu- 600010, India; | **Tel. No.:** +91 44 2640 1914-16 | **Email:** secretarial@kklgroup.in | **Website:** www.kklgroup.in

Contact Person: Mr. J. R. Vishnu Varthan, Company Secretary and Compliance Officer.

PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF EQUITY SHAREHOLDERS / BENEFICIAL OWNERS OF EQUITY SHARES OF KANCHI KARPOORAM LIMITED FOR THE BUYBACK OF EQUITY SHARES THROUGH TENDER OFFER.

THIS PUBLIC ANNOUNCEMENT (THE "PUBLIC ANNOUNCEMENT") IS BEING MADE PURSUANT TO THE PROVISIONS OF REGULATION 7 (i) AND SCHEDULE II OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (BUY BACK OF SECURITIES) REGULATIONS, 2018 (THE "BUYBACK REGULATIONS") FOR THE TIME BEING IN FORCE INCLUDING ANY STATUTORY MODIFICATIONS AND AMENDMENTS FROM TIME TO TIME.

OFFER FOR BUYBACK OF UP TO 2,20,000 FULLY PAID UP EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AT A PRICE OF ₹ 405/- PER FULLY PAID UP EQUITY SHARE ON A PROPORTIONATE BASIS THROUGH THE TENDER OFFER PROCESS.

Certain figures contained in this Public Announcement, including financial information, have been subject to rounding-off adjustments. All decimals have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column row in certain tables may not conform exactly to the total figure given for that column or row.

1. DETAILS OF THE BUYBACK AND OFFER PRICE

a) The Board of Directors of KanchiKarpooram Limited (**"the Company"**) at its meeting held on **November 19, 2020,** had approved the proposal for buyback of up to **2,20,000** fully paid-up equity shares of face value of ₹ 10 each (**"Shares"** or **"Equity Shares"**) of the Company from the existing shareholders / beneficial owners of Equity Shares of the Company, as on the Record Date (hereinafter defined), on a proportionate basis, through the tender offer process, in accordance with the provisions of **Article 59** of the Articles of Association of the Company and in accordance with the provisions of sections 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013 (the **"Act"**) and subject to the provisions contained in the Securities and Exchange Board of India (**"Buyback of Securities"**) Regulations 2018, as amended, (the **"SEBI Buyback Regulations"**) and any statutory modification(s) or re-enactment of the Act or Rules framed there under from time to time or SEBI Buyback Regulations, for the time being in force is also such other approvals, permissions and sanctions of Securities and Exchange Board of India (**"SEBI"**) and / or other authorities, institutions or bodies (the "appropriate authorities"), at a price of ₹ **405** per Equity Share (**"Buyback Price"**) payable in cash for an aggregate amount of up to ₹ **8,91,00,000 (Rupees Eight Crores Ninety One Lacs only) ("Buyback Size"/"Buyback")**. The Buyback Size represents **9.79%** of the fully paid-up Equity Share capital and free reserves as per the latest available audited standalone financial statements of the Company for the financial year ended March 31, 2020.

b) The maximum amount required by the Company for the said Buyback aggregating to ₹ 8,91,00,000 (Rupees Eight Crores Ninety One Lacs only) will be met out of the free reserves and / or cash balances and / or internal accruals of the Company. The maximum amount proposed to be utilized for the Buyback will not exceed 10% of the paid up Equity Share capital and Free Reserves of the Company as per the standalone audited balance sheets as on March 31, 2020. The Company proposes to buyback a maximum of 2,20,000 (Two Lacs Twenty Thousandonly) fully paid-up Equity Shares (**"Maximum Shares"**) of face value ₹ 10 each, in the proposed buyback through tender offer. Further, under the Act, the number of equity shares that can be bought back cannot exceed 25% of the total paid-up equity share capital of the company in that financial year. The Company proposes to buyback up to 2,20,000 (Two Lacs Twenty Thousand only) Equity Shares representing 5.17% of the total paid up equity share capital of the Company as per the latest available standalone audited financial statements of the Company for the financial year ended March 31, 2020 and the same does not exceed the 25% limit.

The Equity Shares of the Company are listed only on the BSE Limited (**"BSE"**). The Buyback shall be undertaken on a proportionate basis from the equity shareholders of the Company as on **Friday, December 4, 2020** (the **"Record Date"**) (**"Eligible Shareholders"**) through the tender offer process prescribed under Regulation 4(iv)(a) of the Buyback Regulations. Additionally, the Buyback shall be, subject to applicable laws, implemented by tendering of Equity Shares by Eligible Shareholders and settlement of the same through the stock exchange mechanism as specified by SEBI in its circular bearing reference number CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with the circular bearing reference number CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and circular bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018 and BSE notice no. 20170210-16 dated February 10, 2017, BSE notice no., 20190424-35 dated April 24, 2019 and BSE notice no 20200528-32 dated May 28, 2020 as amended from time to time (**"SEBI Circulars"**). In this regard, the Company will request BSE to provide the acquisition window for facilitating tendering of Equity Shares under the Buyback. For the purposes of this Buyback, BSE will be the designated stock exchange.

c) Letter of offer and the Tender Form will be made available on the website of the Company at www.kklgroup.in, the BSE at www.bseindia.com, Registrar to the Buy-back at www.cameoindia.com and the Manager to the Buy back at www.saffronadvisor.com in terms of SEBI Circular SEBI/CIR/CFD/DCR1/CIR/P/2020/83 dated May 14, 2020 on the "Relaxations relating to procedure matters –Takeovers and Buy-back" read along with SEBI Circular SEBI/HO/CFD/DCR2/CIR/P/2020/139 dated July 27, 2020, (**"Covid-19 Relaxation Circulars"**).

d) The Buyback Size does not include any other expenses incurred or to be incurred for the Buyback like filing fees payable to SEBI, Stock Exchange fees, advisors fees, public announcement publication expenses, printing and dispatch expenses, and other incidental and related expenses.

e) A copy of this Public Announcement is available on the Company's website (www.kklgroup.in) and is expected to be available on the website of SEBI (www.sebi.gov.in) and on the website of BSE i.e., www.bseindia.com during the period of the Buyback.

2. NECESSITY FOR BUY BACK

Buyback is a more efficient form of distributing surplus cash to the equity shareholders compared to other alternatives including interim dividend, inter-alia, for the following reasons:

(i) The Buyback gives an option to the equity shareholders, who can choose to participate and get cash in lieu of Equity Shares to be accepted under the Buyback or they may choose not to participate thereby and enjoy a resultant increase in their percentage shareholding, post the Buyback, without additional investment; and

(ii) The Buyback would help in improving certain key financial ratios of the Company

3. MAXIMUM AMOUNT REQUIRED UNDER THE BUYBACK AND ITS PERCENTAGE OF THE TOTAL PAID UP CAPITAL AND FREE RESERVES & SOURCES OF FUNDS FROM WHICH BUYBACK WOULD BE FINANCED

The maximum amount required under the Buyback aggregating to ₹ 8,91,00,000 (Rupees Eight Crores Ninety One Lacs only) will be met out of the free reserves and / or cash balances and / or internal accruals of the Company. The maximum amount proposed to be utilized for the Buyback will not exceed 10% of the paid up Equity Share capital and Free Reserves of the Company as per the standalone audited balance sheets as on March 31, 2020.

4. MAXIMUM PRICE AT WHICH THE SHARES OR OTHER SPECIFIED SECURITIES ARE PROPOSED BE BOUGHT BACK AND THE BASIS OF ARRIVING AT THE BUYBACK PRICE

a) The Buyback Price has been arrived at after considering various factors, such as closing market price of the equity shares of the Company on BSE for a period of three months preceding November 16, 2020, being the date on which notice for considering board of directors meeting for Buyback was issued (**"Date of Notice of Buyback"**), closing price of the last trading day preceding the Date of Notice of Buyback and the possible impact of the Buyback on the Earnings Per Share (**"EPS"**) and financial ratios of the Company and other relevant considerations.

b) The Buyback Price per Equity Share represents a premium of **18.74%** over the average closing price of the Company's Equity Shares on BSE for the three months preceding the Date of Notice of Buyback. The Equity Shares of the Company did not trade on the Date of Notice of Buyback. The closing price of the Equity Shares a trading day before the Date of Notice of Buyback, i.e. November 14, 2020 was ₹ 435.55 on BSE. The closing price of the Equity Shares on November 19, 2020, being the date of meeting of the Board of Directors approving the Buyback (**"Date of Board Meeting"**), was ₹ 418 on BSE. *(Source: www.bseindia.com).*

5. MAXIMUM NUMBER OF SECURITIES THAT THE COMPANY PROPOSES TO BUYBACK

The Company proposes to buyback up to 2,20,000 (Two Lacs Twenty Thousand only) Equity Shares representing 5.17% of the total paid up equity share capital of the Company as per the latest available standalone audited financial statements of the Company for the financial year ended March 31, 2020 and the same does not exceed the 25% limit.

6. DETAILS OF PROMOTER SHAREHOLDING AND THEIR INTENTION TO PARTICIPATE IN THE BUY BACK

a) The particulars of the Equity Shares of the Company held by the Promoter and Promoter Group, the Directors of the Promoter Companies holding shares in the Company and of Persons who are in control of the Company, as on the Date of Board Meeting is given below:

i. Shareholding of the Promoter and Promoter Group:

Sr. No.	Name of the Promoter and Promoter Group	Equity Shares held	% to the total paid up equity capital
1	V Suresh	4,37,667	10.03
2	Pushpa Jain	3,54,953	8.13
3	Dipesh Jain	3,37,850	7.74
4	Varshaa Goal	3,18,400	7.30
5	Arun Shah	1,78,050	4.08
6	V M Goal	1,36,500	3.13
7	Lata Shah	89,500	2.05
8	Madhu Shah	66,000	1.51
9	Jitendra Shah	38,000	0.87
10	Radhakrishnan K C	30,300	0.69
11	Soniya	30,000	0.69
12	Kavita Jain	20,000	0.46
13	Veerchand D Shah HUF	NIL	NIL
	Total	**20,37,220**	**46.68%**

ii. Shareholding of the directors of the Promoter and Promoter Group Companies: NIL

iii. Shareholding of the directors of the Company:

Sr. No.	Name of the director of Promoter and Promoter Group Companies	Equity Shares held	% to the total paid up equity capital
1	V Suresh	4,37,667	10.03
2	Pushpa Jain	3,54,953	8.13
3	Dipesh Jain	3,37,850	7.74
4	Arun Shah	1,78,050	4.08
	Total	**13,08,520**	**29.98**

b) Details of Transactions – Purchase / Sale / Transfer undertaken by persons referred to in (6) above during the period of last six months preceding the Date of Board Meeting at which the buyback was approved.

Sr. No.	Name of the Promoter and Promoter Group	Nature of Transaction	Date of Acquisition / (Disposal)	Number of shares acquired / (sold)	Price (₹ Per share)
1	Suresh Shah	Purchase (Conversion of Warrant into equity shares	April 29, 2020	26,270	360
2	Dipesh Jain	Purchase (Conversion of Warrant into equity shares	April 29, 2020	79,100	360

c) Members of the Promoter Group of the Company vide their letters dated November 19, 2020 have confirmed that they shall **not be** participating in the Buyback. The proposed buyback will be made to the existing shareholders, **excluding** Promoters, Promoter Group and Persons Acting in concert (such shareholders herein after collectively referred to as **"Persons in Control"**) as on the Record Date. Persons in Control and will include such persons as have been disclosed under the filings made by the Company from time to time under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, (**"SEBI Takeover Regulations"**).

7. Pursuant to the proposed Buyback and depending on the response to the Buyback, the Voting Rights of the Promoter and Promoter Group in the Company may increase or decrease from their existing shareholding and Voting Rights in the Company. The Promoter and Promoter Group of the Company are already in control over the Company and therefore such further increase or decrease in Voting Rights of the Promoter and Promoter Group will not result in any change in control over the Company.

8. The Promoter and Promoter Group of the Company has undertaken that in case there is an increase in their voting rights beyond 75% of the paid up capital of the Company post Buyback, necessary steps will be taken to reduce their shareholding in accordance with the provisions contained under Rule 19A of the Securities Contract (Regulation) Rules, 1957, so that the Company is in due compliance of the Minimum Public Shareholding (**"MPS"**) requirement. The Company and the Promoter and Promoter Group of the Company have undertaken to comply with the MPS requirements even after the Buyback.

9. The Board of Directors of the Company haveconfirmed that there are no defaults subsisting in the repayment of deposits, redemption of debentures or preference shares or repayment of term loans to any financial institutions or banks.

10. All the Equity Shares which the Company proposes to buy back are fully paid up.

11. The Company as per provisions of Section 68(8) of the Act, shall not make further issue of the same kind of equity shares or other specified securities within a period of 6 (six) months after the completion of the Buyback except by way of bonus shares or equity shares issued to discharge subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion preference shares or debentures into equity shares.

12. The Company shall not issue any equity shares or other specified securities (including by way of bonus and employees' stock option) from the Date of Board Meeting till the date on which the payment of consideration to shareholders who have accepted the Buyback is made.

13. The Company shall not raise further capital for a period of six months from the closure of Buyback Offer, except in discharge of its subsisting obligations or such period as may be applicable under extant regulations (as per the provisions of the Companies Act, issue of shares by way of bonus shares or in the discharge of subsisting obligations into equity shares are not covered by this restriction).

14. The Equity Shares bought back by the Company will be compulsorily cancelled and will not be held for re-issuance.

15. The Company shall not withdraw the Buyback after the draft letter of offer is filed with SEBI or the public announcement of the offer to buyback is made.

16. The Company shall not buyback locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till the Equity Shares become transferable.

17. Further, the Company will not accept shares tendered for Buyback which under restraint order of the court for transfer /sale and/or the title in respect of which is otherwise under dispute or where loss of share certificates has been notified to the Company and the duplicate share certificate have not been issued either due to such request being under process as per the provisions of law or otherwise.

18. The Company shall not Buyback its Equity Shares from any person through negotiated deal whether on or off the stock exchange or through spot transactions or through any private arrangement.

19. The Company shall not directly or indirectly purchase its own equity shares through (i) any subsidiary company including its own subsidiary companies or; (ii) through any investment company or group of investment companies.

20. The funds borrowed from banks and financial institutions will not be used for the Buyback.

21. The ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up equity share capital and free reserves after the Buyback.

22. The Company shall not make any offer of buyback within a period of 1 (one) year reckoned from the date of expiry of the Buyback Period of the current Buyback.

23. The Company confirms it is in compliance with Sections 92, 123, 127 and 129 of the Companies Act 2013.

24. The Board of Directors of the Company have confirmed that based on such full inquiry conducted into the affairs and prospects of the Company and taking into account all the liabilities including prospective and contingent liabilities payable as if the Company were being wound up under the Act, the Board of Directors has formed an opinion that:

- Immediately following the date of the Board meeting held on November 19, 2020 there are no grounds on which the Company can be found unable to pay its debts;
- As regards the Company's prospects for the year immediately following the date of the Board meeting held on November 19, 2020 and having regard to the Board's intention with respect to the Management of Company's business during that year, and to the amount and character of the financial resources which will in the Board's view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from that date; and
- Confirm that in forming an opinion as aforesaid, the Board of Directors have taken in to account the liabilities, as if the Company were being wound up under the provisions of the Act (including prospective and contingent liabilities).

The text of the certificate dated November 19, 2020 received from M/s. P. Chandrasekar, LLP Chartered Accountants, the Statutory Auditor of the Company addressed to the Board of Directors of the Company is reproduced below:

Quote

To,

Board of Directors

Kanchi Karpooram Limited

Parandur Road, Enathur Village, Karaipettai Post,

Kanchipuram, Tamil Nadu, 631552.

1. This Report is issued in accordance with the terms of our service scope letter dated **19th November 2020** issued by Kanchi Karpooram Limited (hereinafter referred to as the **"Company"**).

2. In connection with the proposal of the Company to buy-back its equity shares in pursuance of the provisions of Section 68, 69 and 70 of the Companies Act, 2013 (**"Act"**) and the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, as amended ("the Regulations") and in terms of the resolution passed by the Board of Directors of the Company in their meeting held on 19.11.2020, (**"Board Meeting"**), we have been engaged by the Company to perform a reasonable assurance as applicable on the reporting criteria, specified in paragraph 5 of this report.

Board of Directors Responsibility

3. The preparation of the statement of determination of the permissible capital payment (including premium) towards buy-back of Equity Shares (**"Statement"**), as set out in Annexure A hereto, initialed by us for identification purpose only, is the responsibility of the Board of Directors of the Company, including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.

4. The Board of Directors are responsible to make a full inquiry into the affairs and prospects of the Company and to form an opinion that the Company will not be rendered insolvent within a period of one year from the date of the Board Meeting and the date of the Letter of Offer.

Auditor's Responsibility

5. Pursuant to the requirements of the Buy-back Regulations, it is our responsibility to provide reasonable assurance on the following (**"Reporting Criteria"**):

(i) Whether we have inquired into the state of affairs of the Company in relation to the audited financial statements for the year ended 31 March 2020;

(ii) if the amount of permissible capital payment (including premium) as stated in Annexure A for the proposed buy-back of equity shares, has been properly determined considering the audited financial statements of the Company as at and for the year ended 31 March 2020 in accordance with Section 68(2) of the Act; and Regulation 5 of the Buy-back Regulations; and

(iii) Whether the Board of Directors in their meeting dated 19.11.2020 has formed the opinion, as specified in Clause (x) of Schedule I to the Buy-back Regulations, on reasonable grounds that the Company having regard to its state of affairs will not be rendered insolvent within a period of one year from the date of the Board Meeting.

6. The financial statements referred to in paragraph 5 above, which we have considered for the purpose of this report, have been audited by us, on which we have issued an unmodified audit opinion vide our report dated 30.07.2020 We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

7. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India (the "Guidance note"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

9. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the reporting criteria mentioned in paragraph 5 above. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated with the reporting criteria. We have performed the following procedures in relation to the statement:

i) We have inquired into the state of affairs of the Company in relation to its audited financial statements as at and for the year ended March 31, 2020.

ii) Examined authorization for buy back from the Articles of Association of the Company;

iii) Examined that the amount of permissible capital payment for the buy back as detailed in Annexure A is within permissible limit computed in accordance with section 68 (2) (c) of the Act based on the financial statements of the company for the year ended March 31, 2020.

iv) Examined that the ratio of debt owed by the Company, if any, is not more than twice the capital and its free reserve after such buy-back.

v) Examined that all shares for buy-back are fully paid-up

vi) Read the resolutions passed in the meetings of the Board of Directors.

vii) Read the Directors' declarations for the purpose of buy-back and solvency of the Company as detailed in Annexure-B

viii) Obtained necessary representations from the management of the company.

Opinion

10. Based on our examination as above and the information and explanations given to us, in our opinion:

a) that the proposed amount of capital payment of ₹ **891 lakhs/-** (**Rupees Eight Hundred and Ninety One Lakhs Only**) for the buy-back of **2,20,000** equity shares in question does not exceed the permissible capital payment which is ₹ **910.32 lakhs/- (Rupees Nine Hundred and Ten Lakhs Thirty Two Thousand Only)**, as determined in the statement of determination of the permissible capital payment towards buy-back of equity shares, as stated in Annexure A, is properly determined in accordance with Section 68 of the Act; and

b) that the Board of Directors in their meeting held on 19.11.2020 have formed the opinion, as specified in clause (x) of Schedule I of the Buy-back Regulations, as stated in Annexure B, on reasonable grounds, that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date of passing the Board meeting resolution dated 19.11.2020.

Restriction on Use

11. This report is addressed to and provided to the Board of Directors of the Company pursuant to the requirements of the Buy-back Regulations solely to enable them to include it (a) in the Public Announcement to be made to the members of the Company, (b) in the Draft Letter of Offer and (c) Letter of Offer to be filed with the Securities and Exchange Board of India, the Stock Exchange, the Registrar of Companies as required by the Buy-back Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **P Chandrasekar LLP**

Chartered Accountants

ICAI FRN: 000580S/S200066

S Raghavendhar

Partner

ICAI M.No.:244016

UDIN: 20244016AAAAAI8790

Place: Chennai

Date: 19.11. 2020

ANNEXURE A

Statement of determination of the permissible capital payment (including premium) towards buy-back of equity shares ("Statement") in accordance with Section 68(2) of the Companies Act, 2013

(Amounts in INR Lakhs)

	Particulars		
A	**Total paid-up share capital and free reserves as on March 31, 2020 based on the audited financial statements of the Company**		
a	Total paid-up share capital		425.91
	Free reserves, comprising of		
	- Securities premium account	408.98	
	- Surplus / (Deficit) in the statement of profit and loss	8,058.31	
	- General Reserves	210.00	
	- Other Comprehensive Income	NIL	
b.	**Total free reserves**		**8,677.29**
	Total paid-up share capital and free reserves (sum of a & b)		**9,103.20**
B	The amount of maximum permissible capital payment (including premium) towards the buy-back being lower of;		**891.00**
	(a) 10% of total paid-up share capital and free reserves as on March 31, 2020	**910.32**	
	(b) Maximum amount approved by the Board of Directors at their meeting held on **19.11.2020**	**891.00**	

Unquote

25. RECORD DATE AND SHAREHOLDER ENTITLEMENT

a) The Company has fixed **Friday December 4, 2020** as the record date (**"Record Date"**) for the purpose of determining the entitlement and the names of the shareholders, who are eligible to participate in the proposed Buyback. The Shares proposed to be bought back by the Company, as part of this Buyback shall be divided in two categories; (a) reserved category for small shareholders (Defined as a shareholder of a listed company, who holds Shares whose market value, on the basis of closing price of Shares, on the recognized stock exchange in which highest trading volume in respect of such security is recorded, as on record date is not more than ₹ 2,00,000 (Rupees Two lakhs) and (b) the general category for other shareholders, and the entitlement of a shareholder in each category shall be calculated accordingly.

b) In accordance with Regulation 6 of the Buyback Regulations, 15% (Fifteen percent) of the number of securities which the Company proposes to buyback or number of securities entitled as per their shareholding, **whichever is higher**, shall be reserved for small shareholders.

c) On the basis of the shareholding as on the Record Date, the Company will determine the entitlement of each shareholder to tender their Equity Shares in the Buyback. This entitlement for each shareholder will be calculated based on the number of Equity Shares held by the respective shareholder as on the Record Date and the ratio of Buyback applicable in the category to which such shareholder belongs.

d) After accepting the Shares tendered on the basis of entitlement, Shares left to be bought back, if any in one category shall first be accepted, in proportion to the Shares tendered over and above their entitlement in the Buyback by shareholders in that category, and thereafter from shareholders who have tendered over and above their entitlement in other category.

e) The maximum tender under the Buyback by any Equity Shareholder of the Company cannot exceed the number of Equity Shares held by such Equity Shareholder of the Company as on the Record Date.

f) The Equity Shares tendered as per the entitlement by Shareholders as well as additional Equity Shares tendered, if any, will be accepted as per the procedure laid down in Buyback Regulations.

g) Detailed instructions for participation in the Buyback (tendering of Equity Shares in the buyback) as well as the relevant time table will be included in the letter of offer which will be sent in due course to the Equity Shareholders of the Company as on the Record Date.

h) In accordance with the Buyback Regulations and such other circulars or notifications, as may be applicable, in due course each Eligible Shareholders as on Record Date shall receive a Letter of offer along with a Tender Form (including Form SH-4 as applicable), indicating the entitlement of the shareholders for participating in the Buyback. Further, in terms of Covid-19 Relaxation Circulars the Letter of offer and the Tender Form will be made available on the website of the Company at www.kklgroup.in, the BSE at www.bseindia.com, Registrar to the Buy-back at www.cameoindia.com and the Manager to the Buy back at www.saffronadvisor.com.

26. PROCESS AND METHODOLOGY TO BE ADOPTED FOR THE BUYBACK

a) All Public Shareholders holding the shares on Record Date in dematerialized are eligible to participate in the Buyback. Please refer to Point #g below of this part, for details in relation to tendering of shares held in physical form.

b) The Buyback shall be implemented using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide Circular No. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and Circular No. CFD/DCR2/CIR/P/2016/131 dated December 09, 2016,and circular bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018 issued by Securities Exchange Board of India and in accordance with the procedure prescribed in the Companies Act and the Buyback Regulations and as may be determined by the Board (including a Committee authorized to complete the formalities of the Buyback) and on such terms and conditions as may be permitted by law from time to time.

c) For implementation of the Buyback, the Company has appointed Choice Equity Broking Private Limited as the registered broker to the Company (the **"Company's Broker"**) through whom the purchases and settlements on account of the Buyback would be made by the Company. The contact details of the Company's Broker are as follows:

Name: Choice Equity Broking Private Limited

Address: Choice House, Shree Shakambhari Corporate Park, Plot No. 156-158, J B Nagar, Andheri (East), Mumbai – 400099, Maharashtra, India.

Contact Person: Mr. Jeetender Joshi

Tel.: 022-67079832/ 9870489087 | **E-mail ID:** jeetender.joshi@choiceindia.com

d) BSE would be the Designated Stock Exchange for this Buyback. The Company will request BSE to provide the separate Acquisition Window to facilitate placing of sell orders by Shareholders who wish to tender Equity Shares in the Buyback.

e) During the tendering period, the order for selling the Shares will be placed in the Acquisition Window by Eligible Sellers through their respective stock brokers during normal trading hours of the secondary market. Such stock brokers (**"Seller Member(s)"**) can enter orders for demat shares.

f) In the event Seller Member(s) of Eligible Persons is not registered with BSE then that Eligible Person can approach the Company's Broker as defined in Point # (c) above and tender the shares through the Company's Broker after submitting the details as may be required by the Company's Broker to be in compliance with the SEBI regulations.

g) 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 and BSE notice no 20200528-32 dated 28 May 2020, shareholders holding securities in physical form are allowed to tender shares in buyback through tender offer route. However, such tendering shall be as per the provisions of the SEBI Buyback Regulations.

27. PROCEDURE TO BE FOLLOWED BY EQUITY SHAREHOLDERS HOLDING EQUITY SHARES IN THE DEMATERIALISED FORM

a) Eligible Sellers who desire to tender their Equity Shares in the electronic/ dematerialized form under Buyback would have to do so through their respective Seller Member by giving the details of Equity Shares they intend to tender under the Buyback.

b) The Seller Member would be required to place an order/ bid on behalf of the Eligible Sellers who wish to tender Equity Shares in the Buyback using the Acquisition Window of the Stock Exchange. Before placing the bid, the Eligible Seller would be required to transfer the tendered Equity Shares to the Special Account of Clearing Corporation (referred to as the **"Clearing Corporation"**), by using the early pay in mechanism as prescribed by the Stock Exchange or the Clearing Corporation prior to placing the bid by the Seller Member.

c) The details of the Special Account of Clearing Corporation shall be informed in the issue opening circular that will be issued by BSE/Clearing Corporation.

d) For custodian participant orders for demat Equity Shares, early pay-in is mandatory prior to confirmation of order/ bid by custodians. The custodian shall either confirm or reject the orders not later than closing of trading hours on the last day of the tendering period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed custodian participant orders, any order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.

e) Upon placing the order, the Seller Member shall provide transaction registration slip (**"TRS"**) generated by the Stock Exchange' bidding system to the Equity Shareholder. TRS will contain details of order submitted like bid ID No., DP ID, client ID, no. of Equity Shares tendered, etc.

f) The maximum tender under buyback by any Equity shareholder of the Company cannot exceed the number of Equity Shares held by such Equity Shareholder of the Company as on the Record date.

g) The Equity Shares tendered as per the entitlement by the Equity Shareholder of the Company as well as additional Equity Shares Tendered, if any, will be accepted as per the procedure laid down in Buyback Regulations.

h) Detailed instructions for participation in the Buyback (*tendering of Equity shares in buyback*) as well as the relevant time table will be included in the letter of offer which will be sent in due course to the Equity Shareholders of the Company as on the Record date.

28. PROCEDURE TO BE FOLLOWED BY REGISTERED EQUITY SHAREHOLDERS HOLDING EQUITY SHARES IN THE PHYSICAL FORM:

a) 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 and BSE notice no 20200528-32 dated 28 May 2020, shareholders holding securities in physical form are allowed to tender shares in buyback through tender offer route. However, such tendering shall be as per the provisions of the SEBI Buyback Regulations.

b) **Eligible Shareholders who desire to tender their Equity Shares in the electronic form under the Buyback would have to do so through their respective seller member by indicating to their broker the details of Equity Shares they intend to tender in the Buyback. Eligible Shareholders who are holding Equity Shares in the physical form and intend to participate in the Buyback will be required to approach their Shareholder Broker along with the complete set of documents for verification procedures to be carried out. The documents include the (i) original share certificate(s), (ii) valid share transfer form(s) duly filled and signed by the transferors (i.e. by all registered Eligible Shareholders in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favor of the Company, (iii) self-attested copy of the Eligible Shareholder's PAN Card, (iv) any other relevant documents such as power of attorney, corporate authorization (including board resolution/specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder has deceased, as may be applicable. In addition, if the address of the Eligible Shareholder has undergone a change from the address reflected in the Register of Members of the Company, the Eligible Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: (i) valid Aadhar Card, (ii) Voter Identity Card or (iii) Passport.**

c) For orders for physical Equity Shares, the Shareholder Brokers should place bids on the Acquisition Window with relevant details as mentioned on physical share certificate(s). The Shareholder Brokers shall be required to print the Transaction Registration Slip (**"TRS"**) generated by the Exchange Bidding System. TRS will contain the details of the order submitted including. the bid identification number, the application number, DP ID, Client ID in case of dematerialised Equity Shares or the folio number, certificate number, distinctive numbers and the number of Equity Shares tendered in case of Equity shares held in the physical form and the number of Equity Shares tendered.

Any Shareholder Broker/Eligible Shareholder who places a bid for physical Equity Shares, is required to deliver the original share certificate(s) & documents (as mentioned above) along with TRS generated by exchange bidding system upon placing of bideither by registered post or courier or hand delivery to the Registrar not later than 2 (two) days from the offer closing date. The envelope should be super scribed as **"KKL Buyback 2020"**. One copy of the TRS will be retained by Registrar and it will provide acknowledgement of the same to such Shareholder Broker or Eligible Shareholder.

d) **Eligible Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical Equity Shares**

Continue...

Licence to lend: Big business houses may soon promote banks

The changes come against the backdrop of putting the Indian economy on the path of fast growth which would not be possible without strong credit institutions. However, experts caution the liberal norms need be accompanied with changes that ensure stricter supervision and oversight of the banking system.

For business groups to set up banks the Banking Regulation Act, 1949, needs to be amended. The objective would be to "prevent connected lending and exposures between the banks and other financial and non-financial group entities" and to strengthen the supervisory mechanism for large conglomerates, including consolidated supervision.

While acknowledging the risks posed by corporate ownership of banks, the IWG believes such entities can be an important source of capital and can bring in their experience, management expertise and strategic direction to banking. "It is also a fact that many of such corporate/industrial houses have been successfully operating in other financial segments," the panel noted. It added that internationally, there are very few jurisdictions which explicitly disallow large corporate houses, and even in these jurisdictions, it is not a settled issue.

The group recommends a higher minimum initial capital for licensing new banks of ₹1,000 crore from ₹500 crore for universal banks and of ₹300 crore from ₹200 crore for SFBs. It also feels the non-operative financial holding company (NOFHC) should continue to be the preferred structure for all new universal bank licences and mandatory only in cases where the individual promoters/promoting entities/converting entities have other group entities.

While banks licensed before 2013 may move to an NOFHC structure at their discretion, once the NOFHC structure attains a tax-neutral status, all banks licensed before 2013 shall move to the NOFHC structure within five years from announcement of tax-neutrality.

Till the NOFHC structure is made feasible and operational, the concerns with regard to banks undertaking different activities through subsidiaries/joint ventures/associates need to be addressed through suitable regulations, the group said. Banks currently under NOFHC structure may be allowed to exit from such a structure if they do not have other group entities in their fold.

The panel maks a case for ensuring harmonisation and uniformity in different licensing guidelines. "Whenever new licensing guidelines are issued, if new rules are more relaxed, benefit should be given to existing banks, and if new rules are tougher, legacy banks should also conform to new tighter regulations, but a non-disruptive transition path may be provided to affected banks," it said.

The IWG was chaired by RBI central board director PK Mohanty; members were Sachin Chaturvedi, also central board director, Lily Vadera and SC Murmu, both EDs at the central bank, and CGM Shrimohan Yadav was the convenor. The report has been placed on the RBI website for comments from stakeholders and members of the public. Comments on the report may be submitted by January 15, 2021.

Gland Pharma shares make strong debut, surge 21%

The offer comprised issuance of fresh shares worth up to ₹1,250 crore and an offer-for-sale (OFS) of up to 3,48,63,635 shares.

The OFS consists of sale of up to 1,93,68,686 shares by Fosun Pharma Industrial, 1,00,47,435 shares by Gland Celsus Bio Chemicals, 35,73,014 shares by Empower Discretionary Trust and 18,74,500 shares by Nilay Discretionary Trust.

Gland Pharma raised ₹1,944 crore from anchor investors by selling shares at ₹1,500 apiece. Government of Singapore, Nomura, Goldman Sachs, Morgan Stanley, SBI Mutual Fund, Axis Mutual Fund, SBI Life Insurance Company and Fidelity were among the anchor investors.

From the Front Page

Facebook User data: US, India top govt request tally in H1

Germany, France and the UK followed the US and India in the tally.

Facebook said it responds to government requests for data in accordance with applicable law and its terms of service. Each and every request it receives is carefully reviewed for legal sufficiency and it may reject or require greater specificity on requests that appear overly broad or vague.

"We do not provide governments with direct access or 'back doors' to people's information. We believe that intentionally weakening our services in this way would undermine the security necessary to protect our users," Facebook VP and deputy general counsel Chris Sonderby said.

During the period under review, the volume of content restrictions based on local law increased 40% from 15,826 to 22,120 globally. The increase was in part related to Covid-19- related restrictions, Facebook said.

India saw 824 pieces of content being restricted in the same period.

The report noted that in January-June 2020, the company identified 52 disruptions of Facebook services in nine countries, compared to 45 disruptions in six countries in the second half of 2019.

Also, it took down 3,716,817 pieces of content based on 659,444 copyright reports; 404,078 pieces of content based on 166,310 trademark reports; and 1,308,834 pieces of content based on 97,186 counterfeit reports in the first half of 2020.

"Advances in our technology including updates to Rights Manager attributed to increases across content removals," Sonderby said.

EU could pay over $10 bn for CureVac, Pfizer Covid vaccines

The EU has separately agreed to pay 10 euros ($11.84) per dose for an initial supply of 225 million doses of the vaccine candidate from CureVac, a discount from the 12 euros the company set as the price for the shot, the official said.

The bloc struck the deal with CureVac this week to secure the supply of up to 405 million doses, of which 180 million are optional.

The official said CureVac had committed to starting deliveries by the end of March. It is unclear whether the additional 180 million doses would cost 10 or 12 euros each. Under the 10-euro price, though, the bloc would pay 4.05 billion euros for 405 million doses.

A spokesman for the European Commission, the bloc's executive body, declined to comment on terms and pricing of vaccine contracts because they are confidential.

Germany's BioNTech and CureVac declined to comment.

US drugmaker Pfizer said it and BioNTech were using a tiered pricing formula based on volume and delivery dates and that the EU deal represented the largest initial order of its vaccine candidate to date.

"We are not disclosing further details of this agreement," it added.

Pfizer and BioNTech said on Wednesday that final data showed their shot was 95% effective against Covid-19, and that they could start distributing shots before Christmas should they secure emergency authorisations.

In July, the US government agreed with Pfizer to pay $19.5 per dose for 100 million, with an option to buy a further 500 million under terms to be negotiated separately.

The lower price partly reflects the financial support given by the European Union to BioNTech for the drug's development, a second EU official told Reuters last week.

Both the Pfizer-BioNTech and CureVac candidates are based on new messenger RNA (mRNA) technology and designed to be administered in two doses. That means, for the EU's Pfizer shot, it would cost 31 euros to inoculate one person.

To secure the supply of the Pfizer-BioNTech vaccine, the EU has made a non-refundable down payment. The amount has not been disclosed, but the official said the bloc had paid 700 million euros to the companies. The agreed price of 15.50 euros per dose would only be paid by those European governments willing to buy the shot, and only if it is approved by the EU regulator as safe and effective.

In a sign of the global race to secure vaccines, the EU required Pfizer and BioNTech to accept a "breach of contract clause" if they diverted doses to the US, the source said.

In that eventuality, EU states would be reimbursed 50% of the money they had paid, the official said.

This clause was requested by the EU, the official added, despite the companies planning to produce the doses for Europe in Belgium and Germany.

—REUTERS

NOTICE BOARD

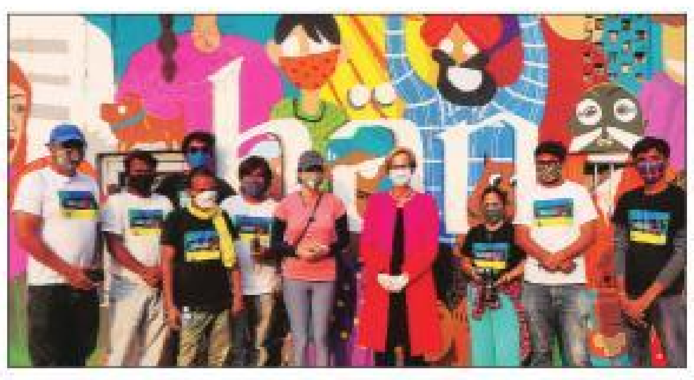
CORPORATE ASSOCIATE DIARY — EVENTS, HONOURS

LAUNCH - NSIC

CMD, NSIC, Shri Vijayendra, IAS launched a mobile application "MSME Global Mart" for facilitating MSMEs and to popularize the M-Commerce, in presence of P Udayakumar, Dir. (P&M), NSIC, G Dixit, Dir. (Fin.), NSIC.

FOUNDATION DAY - NBCC

NBCC recently celebrated its 61st Foundation Day in New Delhi. R Chaudhari, Dir. (Comm); N Shah, Dir. (Projects) & BK Sokhey, Dir (Fin.), accompanied by senior officers, lit the lamp and congratulated employees on the occasion.



HAN MURAL - EMBASSY OF FINLAND

The Embassy of Finland recently collaborated with Delhi Street Art to transform an old, dilapidated wall in Khan Market into a beautiful mural depicting equality among diversity in the country set against Han in bold letters.

CONVOCATION – SHARDA UNIVERSITY

Sharda University conducted its convocation ceremony, wherein Union Education Minister RP Nishank awarded degrees to students, in presence of Meghalaya CM C Sangma & local MP Dr M Sharma & Secy. General of Quality Council of India & others.

MoU - HSCL

A Gopal, Chairman, NSTFDC & Commissioner, NESTS, Union M/o Tribal Affairs, and R Chaudhari, MD, HSCL, a Subsidiary of NBCC, signed an MoU for construction of 58 No. Eklavya Model Residential Schools by HSCL in Odisha, Jharkhand and Dadar & Nagar Haveli.

APPOINTMENT

REC Sanjay Malhotra, IAS, assumed the charge of CMD, REC Limited w.e.f. 09.11.2020. Prior to this, he was posted as Additional Secretary in the Ministry of Power. With demonstrated leadership and excellence in his career of over 30 years, Malhotra has worked in multifarious sectors, including energy, information technology, mines & minerals, finance, agriculture, health etc. As Principal Secretary, in-charge of the Energy Department in Rajasthan, he spearheaded many initiatives, including appointment of distribution franchisees in four towns, introduction of PPP in transmission and innovations in Metering, Billing and Collection. As Additional Secretary in the Ministry of Power, he was looking after transmission, distribution, reforms and restructuring and was deeply involved in the various reforms, policy initiatives and privatization of distribution utilities of Union Territories.

EIL The Board of Engineers India Limited in its meeting on November 12, 2020 has approved the proposal to buyback of around 7 cr equity shares, representing about 11.06% of the fully paid-up equity shares of the Company. EIL will buy back the shares at a price of `84/- per equity share for an aggregate consideration not exceeding ` 586.90 Cr.

NTPC has successfully developed Geo-polymer coarse aggregate from fly ash. The development will help in replacing natural aggregates reducing the impact on the environment. NTPC's research project on production of Geo-polymer coarse aggregate from fly ash has met the statutory parameters of Indian Standards and confirmed by National Council for Cement and Building Materials (NCCBM). NTPC has successfully developed Geo-polymer coarse aggregates as a replacement to natural aggregates. The technical parameters as per Indian standards for its suitability to use in concrete works were tested by NCCBM, Hyderabad and the results are in acceptable range. The development is NTPC's R&D achievement in expanding the horizon in ash utilisation. India's demand for these aggregates touches close to 2000 million metric tons mark every year. The aggregate developed by NTPC from fly ash will help in meeting the demand to a great extent and also will reduce the impact on the environment caused by Natural aggregates which require quarrying of natural stone.

ICAI As a committed and continued True Partner in Nation Building, ICAI recently opened a representative office of the institute in Eliezer Joldan Memorial College, Leh, Capital of Union Territory of Ladakh. This initiative will aid in Development of the newly formed Union Territory by extending support to Government initiatives besides spreading knowledge in the field of accountancy and facilitating services to the upcoming and existing members and students. Jamyang Tsering Namgyal, Member of Parliament, Ladakh Parliamentary Constituency, e-inaugurated the ICAI Representative Office on November 17, 2020. In his address, Jamyang Tsering Namgyal said, "The waiver of 75% Fee for Chartered Accountancy course by the Council of ICAI will be the biggest motivating factor for students of Ladakh to join this prestigious course. Creation of more Chartered Accountants in Ladakh will play a very positive role in Financial and Commercial development of Ladakh."

Indian Oil The #TreeCheers campaign of IndianOil, aimed at promoting environmental consciousness and boosting the country's green cover, has received an enthusiastic response, making it a huge success. Over 2.26 lakh customers drove into IndianOil fuel stations to get their new vehicles (2/3/4 wheelers) refuelled during the campaign period November 12–16, 2020. Under the #TreeCheers scheme, IndianOil is planting a sapling on behalf of these patrons. By the time the scheme closed, over 1.17 lakh saplings had already been planted. Plantation of the balance lakh-plus saplings is underway.

IGNOU celebrated its 35th Foundation Day virtually recently. V. Muraleedharan, Union Minister of State for External Affairs & Parliamentary Affairs, was the chief guest on the occasion and delivered the Foundation Day Address. The virtual function was presided over by Prof. Nageshwar Rao, VC IGNOU. The function started with floral tributes to the Former Prime Minister Late Indira Gandhi's statuette at the main gate of the university campus by Prof. Nageshwar Rao, VC IGNOU and other IGNOU officials. The Chief Guest in his address talked about the New Education Policy which he said lays stress on the holistic development of a person and not only knowledge acquisition, character building and other aspects are also important. He commended IGNOU for its enormous role in promoting flexible and inclusive higher education in realizing the vision of the New Education Policy.

TRIFED Continuing with its expansion spree, Tribes India has now added more new products. One of the highlights among these products are the beautiful, handcrafted items that have been made by the inmates of the Central Jail in Jagdalpur, Chhattisgarh. Among the products launched recently include beautifully crafted moorthis and some Ketki baskets from the tribal inmates of Jagdalpur Jail in Chhattisgarh. These attractive moorthis of Ganesha, Lakshmi, Durga will not only make for gifting items, but will also help make the tribal jail inmates self-reliant. It has been decided that TRIFED will now partner with the Central Jail of Jagdalpur, so that the sourcing of the handicrafts from the jail inmates can become a regular process, and Tribes India can help take these attractive handiwork to the rest of the world.

Anti-CAA protests: ED says investigating PFI-Bhim Army links; to magnify probe

PRESS TRUST OF INDIA
New Delhi, November 20

THE ENFORCEMENT DIRECTORATE on Friday said it is investigating "financial links" between the PFI and Bhim Army and it is set to intensify its money laundering probe to investigate allegations of illegal funds being used to "fuel" anti-CAA protests.

The agency, officials sources said, will initiate a fresh round of questioning of the suspects.

They said the agency has unearthed some mobile phone communication between some senior office bearers of the Popular Front of India (PFI) and Bhim Army chief Chandrashekhar Azad, and it will seek clarifications from them.

"The ED is investigating financial links between PFI and Bhim Army on the basis of credible evidence recovered from senior PFI officials," the agency tweeted.

The tweet was in response to a news report that said the ED has found "no links" between the Bhim Army and the PFI.

While the PFI has repeatedly denied any wrongdoing, the Bhim Army said it was ready for all kinds of probe.

"We are ready for every kind of investigation, you (ED) should investigate and if no link is found then you should publicly apologise for spreading false propaganda," All India Bahujan Coordination Committee and Bhim Army coordinator Kush Ambedkarwadi said.

Official sources said the communication analysed between individuals of the two groups indicated talk about certain activities in the Jama Masjid area of the national capital during the anti-Citizen Amendment Act (CAA) protests. The central probe agency is also expected to question some other linked people in this case which it is probing under the criminal sections of the Prevention of Money Laundering Act (PMLA).

Govt okays subsidised loans of ₹4,000 cr for micro-irrigation projs

PRESS TRUST OF INDIA
New Delhi, November 20

THE UNION AGRICULTURE ministry on Friday said it has given nod for subsidised loans worth ₹3,971.31 crore for implementing micro-irrigation projects, and maximum loan has been approved for Tamil Nadu.

The interest subvented loans are being offered under Micro Irrigation Fund (MIF) created with National Bank for Agriculture and Rural Development (Nabard) for implementing micro-irrigation projects.

This fund with a corpus of ₹5,000 crore was operationalised in the 2019-20 fiscal with an objective to facilitate states in availing subsidised loans for expanding coverage of micro irrigation.

In a statement, the ministry said the steering committee of MIF has approved projects for loan worth ₹3,971.31 crore.

Out of this, maximum loan of ₹1,357.93 crore has been approved for Tamil Nadu, followed by ₹790.94 crore for Haryana, ₹764.13 crore for Gujarat, ₹616.13 crore for Andhra Pradesh, ₹276.55 crore for West Bengal, ₹150 crore for Punjab and ₹15.63 crore for Uttarakhand, it said.

MARKET HAZARD

Investors weigh vaccine hopes against Covid reality

Over the past few weeks, investors had largely looked past immediate risks from pandemic

APRIL JOYNER
New York, November 20

AS WINTER APPROACHES, US equity investors are weighing brightening prospects for a Covid-19 vaccine against a resurgence of the pandemic across the US.

Several market strategists have predicted significant gains in US stocks in 2021, as long as Congress passes further fiscal stimulus and a vaccine becomes widely available in the first half. But the path for stocks could be bumpy while investors await those developments, they said.

Over the past few weeks, investors had largely looked past immediate risks from the pandemic. The benchmark S&P 500 index recently soared to record highs on evidence of high efficacy rates in two experimental vaccines — from Moderna and jointly from Pfizer and BioNTech SE. Both vaccines could be ready for US authorisation and distribution within weeks, Health and Human Services Secretary Alex Azar has said.

Still, the pandemic remained an immediate threat as the number of US deaths from the disease has climbed to 250,000. The S&P 500 fell more than 1% on Wednesday as New York City announced the closure of public schools.

Economic indicators including a rise in jobless claims last week signaled that the recovery may have stalled, reflecting the need for further fiscal stimulus, some investors said. Data from IHS Markit's flash purchasing managers' index and the Conference Board's consumer confidence survey are scheduled for release next week.

"We anticipate a vaccine becoming partially available this year, but that still leaves a gap," said Colin Moore, global chief investment officer at Columbia Threadneedle Investments.

Further signs the pandemic is growing more severe could stir volatility in U.S. stocks. The Cboe Volatility Index, known as Wall Street's "fear gauge," fell sharply after the US presidential election but has leveled off and remains above its long-term average near 20. VIX futures also reflect elevated expectations for market gyrations throughout the first half of 2021.

Questions about more stimulus have fed volatility expectations, investors said. Two U.S. Senate runoff elections in Georgia scheduled for January could decide which political party controls that chamber and hence the scope of further pandemic relief. "The big event risk in 2021 might be that's just completely off the table," said Derek Devens, senior portfolio manager of Neuberger Berman's options group, referring to further stimulus. "That would be a pretty negative event for the market."

Some strategists anticipate a bid to haven currencies as a hedge against market declines.

TD Securities strategists wrote on Tuesday that they expect the dollar, which has weakened this month, to gain for a brief period in part due to "evolving Covid realities." Societe Generale has recommended options strategies that would benefit from a strengthening in the yen.

But overall, investors largely expect any further slide in US stocks to be fleeting. Restrictions on mobility and economic activity in response to rising Covid-19 cases are likely to be more limited than in the spring, they said.

New York City, for instance, has kept stores and restaurants open even as schools close.

Simply seeing a light at the end of the tunnel has helped limit investor anxiety, said David Lefkowitz, head of Americas equities at UBS Global Wealth Management. Even if a stimulus package does not materialise as expected, optimism about a vaccine could blunt any hit to US stocks, in his view.

'Selling dog as mutton': Japan carriers dip on minister rebuke

BLOOMBERG
November 20

SHARES IN SOME of Japan's largest mobile phone carriers dropped in Tokyo after the communications minister accused the companies of deploying a bait-and-switch tactic in cutting the costs of mobile phone plans.

Reducing Japan's hefty mobile phone bills has been a priority for the administration of Prime Minister Yoshihide Suga, but carriers have largely avoided making cuts to plans offered by their mainstay operations. Instead, they've made cuts at their so-called sub-brands — cheaper operations wholly owned by the carriers, such as KDDI Corp's UQ and SoftBank's Yahoo Mobile. The sub-brands offer discount plans but often not the latest phones, and are popular with students and those using less data.

"There have been no cheap plans announced at all for the main brands, which are used by most customers," Ryota Takeda, the minister of internal affairs and communications, told a press conference in Tokyo on Friday. "They're 'promising mutton but selling dog'," he added, using a Japanese expression that could also be translated as "selling vinegar as wine" or "a pig in a poke."

Shares in KDDI Corp. erased gains and fell as much as 2.3%, while SoftBank lost as much as 1.5% after rising earlier. Japanese online retailer Rakuten Inc., which has entered the telecom market as a cheaper competitor, extended gains to as much as 4%.

Suga's battle to lower mobile phone bills goes back at least two years when, as chief cabinet secretary under Shinzo Abe, he stunned the market by calling for a 40% reduction in mobile fees and blasted the fat profit margins at the three main carriers. It's a call he has often repeated upon becoming prime minister, and minister Takeda has called for bills to be cut to "international levels."

Amazon bows to French pressure to push back 'Black Friday' sales

DOMINIQUE VIDALON & MATTHIEU PROTARD
Paris, November 20

AMAZON HAS BOWED to government pressure to postpone its "Black Friday" discount shopping sales in France to help local shopkeepers struggling with a nationwide lockdown.

The US retail giant has seen sales soar globally as restrictions to prevent the spread of the coronavirus sent consumers online, making it difficult for some bricks-and-mortar shops to compete. To level the playing field, finance minister Bruno Le Maire this week called on supermarkets and online retailers to postpone Black Friday, which runs from November 27 to November 29, as shops selling non-essential goods would have to remain closed during lockdown.

Competition from Amazon first prompted European retailers to adopt the US tradition of making Black Friday — the day after US Thanksgiving — the kickoff to the holiday shopping season. Amazon France CEO Frederic Duval said on Thursday the company would push the event back to December 4, joining other retailers such as European market leader Carrefour and France's Leclerc.

"We have decided to delay the date of Black Friday if this can help shopkeepers reopen before December 1," Duval said on TF1 television on Thursday.

Amazon confirmed Duval's comments in an emailed statement, but did not respond to requests for further comment on Friday. While helping to generate record profits, the coronavirus crisis has also triggered scrutiny of Amazon's efforts to protect staff from the pandemic, particularly in France, where a lengthy battle over safety measures led to the temporary closure of warehouses. Amazon's ability to keep selling during the lockdown has also deepened frustration among opponents of the company in France who say it represents a US-style consumer culture at odds with the country's long tradition of mom-and-pop neighborhood stores.

Some 30,000 people have signed an online petition to boycott Amazon, according to its organiser, lawmaker Mathieu Orphelin, who left President Emmanuel Macron's party last year to set up a more environmentally focused party.

"A lot of people use our name to get noticed, but Amazon makes up only 1% of retail in France," Duval said, when asked on France Info radio on Friday how to explain negative sentiment against his company.

—REUTERS

Trump bid to overturn polls unparalleled in US history

DAVID E SANGER
Washington, November 20

PRESIDENT TRUMP'S ATTEMPTS to overturn the 2020 election are unprecedented in American history and an even more audacious use of brute political force to gain the White House than when Congress gave Rutherford B Hayes the presidency during Reconstruction.

Trump's chances of succeeding are somewhere between remote and impossible, and a sign of his desperation after President-elect Joseph R Biden Junior won by nearly six million popular votes and counting, as well as a clear Electoral College margin. Yet the fact that Trump is even trying has set off widespread alarms, not least in Biden's camp.

"I'm confident he knows he hasn't won," Biden said at a news conference in Wilmington, Delaware, on Thursday, before adding, "It's just outrageous what he's doing." Although Biden dismissed Trump's behaviour as embarrassing, he acknowledged that "incredibly damaging messages are being sent to the rest of the world about how democracy functions."

Trump has only weeks to make his last-ditch effort work: Most of the states he needs to strip Biden of votes are scheduled to certify their elections by the beginning of next week. The electors cast their ballots on December 14, and Congress opens them in a joint session on January 6.

The president's push to stop states from certifying electors and get legislators to override voters' will eclipses even the bitter 1876 poll as an audacious use of brute political force

WIDESPREAD ALARMS

- Trump's chances of succeeding are somewhere between remote and impossible
- The electors cast their ballots on December 14, and Congress opens them in a joint session on January 6
- Even if Trump somehow pulled off his electoral vote switch, there are other safeguards in place

Even if Trump somehow pulled off his electoral vote switch, there are other safeguards in place, assuming people in power do not simply bend to the president's will.

The first test will be Michigan, where Trump is trying to get the State Legislature to override Biden's 157,000-vote margin of victory. He has taken the extraordinary step of inviting a delegation of state Republican leaders to the White House, hoping to persuade them to ignore the popular vote outcome.

"That's not going to happen," Mike Shirkey, the Republican leader of the Michigan State Senate, said on Tuesday. "We are going to follow the law and follow the process."

Beyond that, Michigan's Democratic governor, Gretchen Whitmer, could send Congress a competing electoral slate, based on the election vote, arguing that the proper procedures were ignored. That dispute would create just enough confusion, in Trump's Hail Mary calculus, that the House and Senate together would have to resolve it in ways untested in modern times.

Federal law dating to 1887, passed in reaction to the Hayes election, provides the framework, but not specifics, of how it would be done. Edward B Foley, a constitutional law and election law expert at Ohio State University, noted that the law only required Congress to consider all submissions "purporting to be the valid electoral votes."

But Michigan alone would not be enough for Trump. He would also need at least two other states to fold to his pressure. The most likely candidates are Georgia and Arizona, which both went for Trump in 2016 and have Republican-controlled legislatures and Republican governors.

Governor Doug Ducey of Arizona has said he will accept the state election results, although only after all the campaign lawsuits are resolved. Governor Brian Kemp of Georgia, where a hand recount reaffirmed Biden's victory on Thursday, has not publicly said one way or another who won his state.

Trump has said little in public apart from tweets endorsing wild conspiracy theories about how he was denied victory. Yet his strategy, if it can be called that, has become clear over two days of increasingly frenetic action by a president 62 days from losing power. In just that time, Trump has fired the federal election official who has challenged his false claims of fraud, tried to halt the vote-certification process in Detroit to disenfranchise an overwhelmingly Black electorate that voted against him, and now is misusing the powers of his office in his effort to take Michigan's 16 electoral votes away from Biden.

—NYT

Indians emerging as prolific users of filters in selfies, says Google study

PRESS TRUST OF INDIA
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THE USE OF filters to enhance selfies is widespread in India and the US, according to a global study conducted by Google which says selfie-taking and sharing is such a big part of Indian women's lives that it affects their behaviour and household economics.

Unlike Germany, Indian respondents expressed low levels of concern about the impact of filters on their children's wellbeing. And filter use for beautification purposes is highly normalised and socially accepted in South Korea, the study noted.

More than 70% of the photos taken on an Android device use the front-facing camera, Indians are active selfie takers and sharers, and they consider filters a useful tool in enhancing their appearance and presenting their best self, it said.

"Indian women, in particular, are enthusiastic about their ability to beautify their images, and they make use of a variety of filtering apps and editing tools to achieve a desired look. The most popular filter apps are PicsArt and Makeup Plus; Snapchat is used by younger users (age 29 and under)," it said.

"The selfie-taking and sharing is such a big part of Indian women's lives that it affects their behaviour and even household economics: several women reported that they never wear the same dress again if they had taken a selfie in it," it said.

"As a young women reported, 'I told my mom, I'll never wear this dress again because I posted a selfie in it. She said, 'do you think money comes from the trees?'" the study said.

Indian men are also active selfie-takers and users of filters but they tend to focus more on the story aspect rather than their appearance, it said.

Indian respondents expressed low levels of concern about the impact of filters on their or their children's wellbeing. They exhibit a relaxed attitude towards their children's use of filters, considering it a fun activity, it said, adding that some parents are comfortable using slight beautification filters like lipstick on their child's photo.