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IN THE NEWS

Foodgrain output target set at record 301 MT

THE GOVERNMENT HAS set foodgrain production target at a record 301 million tonne for the 2020-21 crop year, reports **PTI**. This is up nearly 1.5% from the previous year's output, on the back of good monsoon rains and higher acreage in the kharif season.

HDFC Bank denies allegations made in US lawsuits

HDFC BANK ON Monday issued a statement in response to the lawsuits filed against it by multiple law firms in the US, denying the allegations made therein, reports **fe Bureau** in **Mumbai**. The bank said that the litigant was a single security holder, who was purporting to represent a class of its shareholders.

SBI raises ₹7k cr through Basel III compliant bonds

STATE BANK OF India on Monday said it has raised ₹7,000 crore by issuing Basel III compliant bonds, reports **PTI**. The bonds qualify as tier II capital of the bank, and has face value of ₹10 lakh each, bearing coupon rate of 6.24% per annum payable annually for a tenor of 10 years, it said.

FARM BILLS

Mandi tax reason for Punjab anger?

PDS purchases only through mandis boost state's coffers

PRABHUDATTA MISHRA
New Delhi, September 21

SHIROMANI AKALI DAL leader Harsimrat Kaur's resignation from the Narendra Modi Cabinet over the farm Bills has fuelled protests against the reformist legislations, culminating in a ruckus in Parliament, but what lies underneath Kaur's dramatic move is nothing but survival instinct of the key grain-producing state's oligarchic mandi system.

Any political party in Punjab with real chances of being in government would avoid antagonising the mandi lobby because their networks enrich the state coffers, through compulsory levies collected from the government-run grain procurement agencies.

Taxes on agri trade

Punjab*	8.5%
Pan-India average	6%

*market fee 3%, rural development cess 3%, arhtiya commission 2.5%

Central Pool's outgo on paddy, wheat purchases (Pan-India, ₹ crore, FY20)

Market fee	4,000
Arhtiya commission	3,600

Mandi fees collected on all crops (FY20)

Punjab	1,750
All India	8,600

Continued on Page 2
Mandis and MSP will stay, says PM, Page 2

Centre raises rabi MSP by 2-6%

THE CABINET COMMITTEE on Economic Affairs (CCEA) on Monday approved 2-6% increases in the minimum support prices for the 2020-21 rabi season, reports **fe Bureau** in **New Delhi**. Even as the winter sowing is yet commence, the expectations of a bumper crop has brightened, since abundant rains in the monsoon season have led to improved soil moisture conditions. ■ Page 2

AIR INDIA SALE

Allow bidders to quote own terms, says panel

Potential buyer may get more leeway on job cuts, debt, asset sales

PRASANTA SAHU
New Delhi, September 21

GIVEN THE FRESH uncertainties caused by Covid-19, an inter-ministerial group (IMG) on Air India privatisation plan has favoured allowing bids for the loss-making carrier on the basis of its enterprise value, sans any predetermined level of 'sustainable debt' for the potential bidders to reckon with.

Under the current plan, the buyer is required to take over the airline's estimated residual debt of ₹23,286 crore.

EY, the transaction adviser (TA), in a presentation to the IMG, said the winning bidder may have the leeway to cut its workforce immediately after the acquisition — the current expression of interest (EoI) provides for a one-year job protection for the state-owned airline's over 9,600-strong permanent workforce.

Also, the adviser sought removal of the ₹1,000-crore cap on asset sale in the first year post-acquisition of the national carrier by the buyer.

On the both these suggestions, the IMG, according to a note circulated within the government and reviewed by *FE*, holds the view that a decision could be taken during the actual signing of share purchase agreement (SPA) or at the request for proposal (RFP) stage.

The current EoI was prepared in January. With Covid-19 hitting the aviation sector hard, Air India has estimated that its cash losses would climb 80% on year to ₹6,000 crore in FY21.

Keeping in view the prevailing situation in the domestic and international aviation industry and a worsening of the national airline's performance, the TA has presented four options to the IMG for AI's strategic disinvestment.

Continued on Page 2

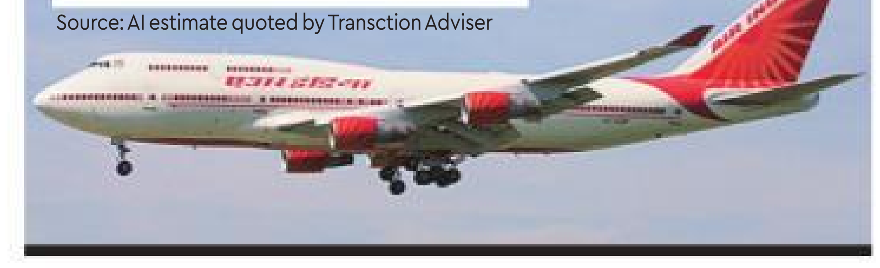
ALTERED PLAN
Report card (₹ crore)

	Revenue	EBITDA	Cash loss	ASKMs* (m)
FY20	27,284	-323	3,323	63,200
FY21 (projected)	14,176	-1,763	5,955	30,512
Change (%, FY21 vs FY20)	-48	446	79	-52
(April-July, FY21 actuals)	2,260	-1,366	2,738	3,348

*Available seat kilometers

₹15,435 crore
Financial cost on the exchequer to run the airline for FY21-FY22

Source: AI estimate quoted by Transction Adviser



ILLICIT FUNDS REPORTS

HSBC, StanChart shares fall to 22-year lows

Reports say banks moved large sums of allegedly illicit funds over nearly two decades despite red flags about origin

ALUN JOHN, SUMEET CHATTERJEE & LAWRENCE WHITE
Hong Kong/London, September 21

HSBC'S SHARES IN Hong Kong and Standard Chartered's in London fell on Monday to their lowest since at least 1998 after media reports that they and other banks, including Barclays and Deutsche Bank, moved large sums of allegedly illicit funds over nearly two decades despite red flags about the origins of the money.

The BuzzFeed and other media articles were based on leaked suspicious activity reports (SARs) filed by banks and other financial firms with the US department of treasury's Financial Crimes Enforcement Network (FinCen).

HSBC shares in London fell as much as 5%, their lowest intraday level since 2009, after the lender's Hong Kong shares earlier touched a 25-year low. The stock has now nearly halved since the start of the year.

Continued on Page 2

MONEY TRAIL

Media articles were based on **leaked suspicious activity reports filed** by banks and other financial firms

SARs were filed with the **US department of treasury's Financial Crimes Enforcement Network**

More than 2,100 SARs were shared with the **International Consortium of Investigative Journalists** and other media organisations

HSBC, StanChart, Barclays and Deutsche Bank appeared most often in the FinCEN documents

DIGITAL BANKING

YONO to be stand-alone platform: SBI chairman

ANKUR MISHRA
Mumbai, September 21

STATE BANK OF India (SBI) will hive off its digital platform YONO (you only need one) into a separate entity allowing other banks to use it, chairman Rajnish Kumar told *FE*. Using a 'pay per use model', the lender expects to attract small banks, regional rural banks (RRBs) and co-operative banks to the platform.

Kumar said other banks can use YONO platform without using the brand. Other banks, the chairman explained, need to connect with the YONO API (application programming interface) without going through the SBI's core banking system. "Once the integration is done, other banks can use the platform by connecting the API with their back end. This will enable other banks to use YONO platform with their own branding," Kumar said.

Continued on Page 2

YONO during Pandemic

	Transactions	Registrations
Mar '20	66,24,638	12,17,331
Apr	58,54,931	4,40,678
May	58,24,855	8,34,749
Jun	67,25,696	16,04,600
Jul	1,00,59,225	16,43,978
Aug	1,19,55,917	14,30,872
Total	4,70,45,262	71,72,208

GANDHI-GIRI

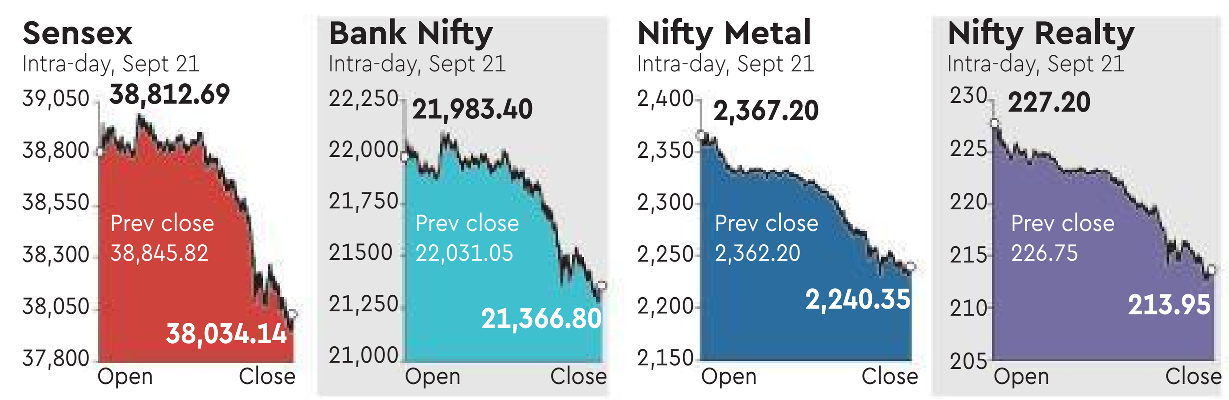
Derek O'Brien of TMC and other MPs in front of Mahatma Gandhi's statue in Parliament, hoping to give their protest against suspension of MPs some heft

Monday mayhem

FE BUREAU

Markets crash amidst global meltdown

Indian shares ended lower on Monday, dragged by banking and metal stocks, as a rise in coronavirus cases at home and abroad dented investor sentiment.



POTENT TOOL

Insolvency threat triggers ₹5-lakh-cr loan recovery

BANIKINKAR PATTANAYAK
New Delhi, September 21

AS MANY AS 14,510 cases involving defaults of ₹5.13 lakh crore were withdrawn by July 31 from various benches of the National Company Law Tribunal (NCLT) before the applications were admitted by the adjudicating authority, since the Insolvency and Bankruptcy Code (IBC) came into being in late 2016, according to the latest official data.

This suggests, in most cases, creditors have recovered money from debtors by just applying for insolvency proceedings, reinforcing the efficacy of the IBC as a potent tool for bad loan resolution even before its actual use. As for defaulting promoters, the fear that their companies will change hands once the IBC is applied, has forced them to pay up.

As of end-July, 2,789 cases – with a combined default of ₹1,96,171 crore – filed by financial creditors under section 7 of the IBC were withdrawn. Similarly, 11,581 cases, filed by operational creditors under Section 9, with a total default of ₹1,63,927 crore and 140 cases (default of ₹1,53,372 crore) under Section 10 (meant for initiation proceedings by corporate debtors), were withdrawn from the NCLT since 2016.

Interestingly, these gains to creditors are much higher than what they gathered from the resolution or liquidation of stressed companies where insolvency cases were fully pursued.

Continued on Page 2

Deterrence value

₹1,96,171 cr
Default amount in 2,789 cases withdrawn by financial creditors by July 31

₹1,63,927 cr
Default in 11,581 cases withdrawn by operational creditors

₹1,53,372 cr
Default in 140 cases withdrawn by corporate debtors

INSOLVENCY

FM: Surge in cases unlikely after suspension is lifted

FE BUREAU
New Delhi, September 21

FINANCE MINISTER NIRMALA Sitharaman on Monday said a surge in insolvency cases is unlikely once the suspension of such proceedings against Covid-related default is lifted, as other modes of debt resolutions are still operational and a large number of companies are expected to get back on their feet by then.

With the passage of amendments to the Insolvency and Bankruptcy Code (IBC) by the Lok Sabha on Monday, decks have been cleared to suspend, through Parliamentary clearance, insolvency proceedings for up to a maximum of one year against fresh Covid-related defaults from March 25. The Rajya Sabha has already approved the IBC (Second Amendment) Bill, 2020. The Bill was brought in to replace an ordinance that was promulgated in June to protect thousands of firms, ravaged by Covid, from being dragged into insolvency proceedings.

Continued on Page 12

QuickPick

IT firms must move from reactive to proactive problem-solving: Murthy

INFOSYS CO-FOUNDER NR Narayana Murthy on Monday said Indian IT firms must move from reactive problem solving to having a proactive problem recognition and solution mindset which will help increase its per capita revenue productivity, reports **PTI**. Speaking at an AIMA event, Murthy said Indian IT companies will continue to grow anywhere between 7 to 10% with operating margins being between 15 and 20%. PAGE 4

TAIWAN TENSION

China releases video simulating attack on US

REUTERS
Beijing, September 21

CHINA'S AIR FORCE has released a video showing nuclear-capable H-6 bombers carrying out a simulated attack on what appears to be Andersen Air Force Base on the US Pacific island of Guam, as regional tensions rise.

The video, released on Saturday on the People's Liberation Army Air Force Weibo account, came as China carried out a second day of drills near Chinese-claimed Taiwan, to express anger at the visit of a senior US State Department official to Taipei.

Guam is home to major US military facilities, including the air base, which would be key to responding to any conflict in the Asia-Pacific region.

The Chinese air force's two minute and 15 second video, set to solemn, dramatic music like a trailer for a Hollywood movie, shows H-6 bombers taking off from a desert base. The video is called "The god of war H-6K goes on the attack!"

Halfway through, a pilot presses a button and looses off a missile at an unidentified seaside runway. The missile homes in on the runway, a satellite image of which is shown that looks exactly like the layout of Andersen. The music suddenly stops as images of the ground shaking appear, following by aerial views of an explosion.

Continued on Page 2


China's air force video shows nuclear-capable H-6 bombers carrying out a simulated attack on what appears to be US' Andersen Air Force Base in Guam

Economy

STRATEGIC STORAGES

Dharmendra Pradhan, petroleum minister

"India saved over ₹5,000 crore when the country in April-May used two-decade low international oil prices to fill up its three strategic underground crude oil storages"

Quick View

1,634 cr digital transactions in Apr-Aug: Dhotre

DIGITAL PAYMENTS HAVE witnessed an increase with 1,634.92 crore digital transactions being conducted between April-August this year, the Parliament was informed on Monday.

LS passes Bill to amend Foreign Contribution Act

LOK SABHA PASSED a bill on Monday to amend the Foreign Contribution (Regulation) Act that seeks to make it mandatory for the office-bearers of an NGO to provide their Aadhaar numbers during registration.

Pre-filled GST return form soon: GSTN CEO

GST-REGISTERED BUSINESSES WILL soon get pre-filled Return form, GSTR-3B, GST Network chief executive Prakash Kumar said on Monday.

3.8 lakh cos struck off in 3 years under companies law

MORE THAN 3.8 lakh companies have been struck off from official records under the companies law during the past three years, according to the government. In a written reply to the Rajya Sabha, minister of State for corporate affairs Anurag Singh Thakur also said the term "shell company" is not defined under the Companies Act.

COMMITMENT TO FARM SECTOR

Govt increases rabi MSPs in advance amid farmers' stir

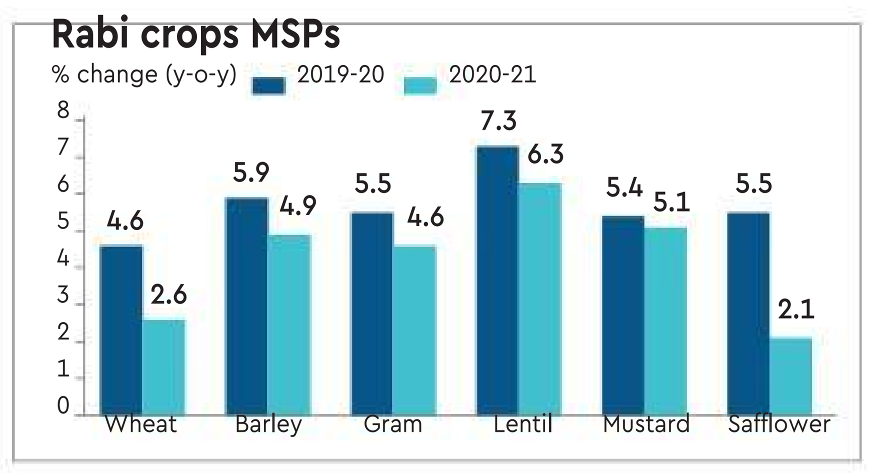
FE BUREAU
New Delhi. September 21

THE CABINET COMMITTEE on Economic Affairs (CCEA) on Monday approved 2-6% increases in the minimum support prices (MSPs) for the 2020-21 rabi season. Even as the winter sowing is yet to commence, the expectations of a bumper crop has brightened, since abundant rains in the monsoon season have led to improved soil moisture conditions.

After a meeting of Cabinet Committee on Economic Affairs (CCEA), agriculture minister Narendra Singh Tomar told Parliament the Food Corporation of India (FCI) and other agencies would continue to buy the crops at their MSPs. The announcement of MSP was a month earlier than last year, probably to reassure farmers about the government's commitment on continuing the MSP amid the farmers' protests against the farm bills approved by Parliament. The new MSPs of rabi crops are usually announced in October or November.

Even as the MSPs for rabi season have been set on the basis of the government's promise to provide minimum 50% profit to farmers over their cost of production (A2+FL), the current hike is lower compared to last year's increase in the range of 5-7%.

In the case of wheat, the key winter crop, the new MSP will be ₹1,975 per quintal, up 2.6% over last year. This is also significant since the government is betting on higher production of wheat next year after it revised its 2020-21 (July-June) foodgrains output target to 301 million tonne, up from 298.3 million tonne in April. The first advance estimate of major kharif crops for 2020-21 may be announced next week. The country had record 296.65 million tonne in 2019-20.



Robust production doesn't necessarily boost farmers' earnings. In the case of many crops, including oilseeds and pulses, the procurement levels are crucial and even the price support scheme sans procurement doesn't seem to be working on the ground. Although the government purchases have increased in last five years compared to previous five years, the benefits of MSPs are limited mostly to paddy, wheat farmers in Punjab, Haryana, Madhya Pradesh and Uttar Pradesh. First time this year the FCI had purchased sizable quantity of paddy in Telangana and Andhra Pradesh.

The new benchmark rate of chana is ₹5,100 per quintal, up 4.6% over the year-ago season while the MSP of mustard, the key oilseed crop of the winter season, has been raised 5.1% to ₹4,650 per quintal. To encourage cultivation of pulses, the support price of masur has been increased by 6.3% to ₹5,100 per quintal, highest among all rabi crops. Masur production has declined to 1.18 million tonne in 2019-20 from 1.23 million tonne last year after hovering below 1 million tonne for a decade until 2010. There has been a good increase in area under masur in Madhya Pradesh and higher yield in Bihar, the main grower of the crop.

The MSP of another winter-grown oilseed safflower has been hiked by 2.1% to ₹5,327 per quintal. The production of safflower has been declining and reached at 30,000 tonne in 2019-20 from a level of 2.4 lakh tonne in 2006-07.

Sowing of rabi crops begins from October and harvesting season starts from April. Some of the early-sown crops start arriving in the mandis from March.

PM: Farm Bills need of 21st century, mandis and MSP will stay

PRESS TRUST OF INDIA
New Delhi, September 21

PRIME MINISTER NARENDRA Modi asserted on Monday that the farm sector reform Bills passed by Parliament were the need of 21st century India and again reassured farmers that the government purchase of their produce coupled with the minimum support price mechanism will continue.

With opposition parties vehemently criticising the legislations as "anti-farmers" and protests continuing in states like Punjab and Haryana, Modi again mounted a strong defence of these measures, saying farmers will now have the freedom to sell their produce at a place and price of their choice.

Govt sets foodgrain output target at record 301 MT for 2020-21

PRESS TRUST OF INDIA
New Delhi, September 21

THE GOVERNMENT HAS set foodgrain production target at a record 301 million tonne for the 2020-21 crop year, up nearly 1.5% from the previous year's output, on the back of good monsoon rains and higher acreage in the kharif season.

The target for the 2020-21 crop year (July-June) was set at the National Conference for Rabi Campaign 2020, which was held on Monday to review the progress of the kharif (summer-sown) season and plan for the rabi crops.

Addressing the event, agriculture minister Narendra Singh Tomar congratulated farmers and state governments for record foodgrain production of 296.65 MT in the 2019-20 crop year.

"The conference set a target of 301 million tonnes of food grains production for 2020-21...," an official statement said.

Rice production target has been fixed at 119.6 million tonnes (MT) in 2020-21 as against 118.43 MT output in the last year.

The target of wheat output has been set at 108 MT as compared to 107.59 MT. Coarse cereals output target is almost flat at 47.80 MT as against 47.48 MT in the previous year.

Pulses production target has been is fixed at 25.60 MT, up from 23.15 MT output in 2019-20, while that of oilseeds was set at 37 MT as against the estimated output of 33.42 MT last year.

Tomar also complimented the farming community and states for higher sowing in the kharif season despite the Covid-19 pandemic and lockdowns.

Parekh panel picks ex-IDBI chief Sriram as head of investment manager company set up by NHAI

FE BUREAU
New Delhi, September 21

AN NHAI-APPOINTED SEARCH-CUM-SELECTION committee, headed by ace banker Deepak Parekh, has recommended former IDBI chairman B Sriram for the post of chairman of the investment manager company that NHAI has set up to manage its Infrastructure Investment Trusts (InvITs).

The committee has also recommended MP Sharma, former technical member of NHAI; Shailendra Roy, ex-CEO & MD, L&T Power; and Suresh Goyal, former India head for Macquarie Group; as independent directors of the company, National Highways Infra Investment Managers.

The committee has also suggested Goyal to be considered for a full-time role of the company as managing director or chief executive officer.

The Cabinet had in December last year authorised NHAI to launch InvITs to enable it to monetise national highways that have a track record of toll collection for at least one year. In the Budget for 2020-21, NHAI was authorised to monetise "at least 12 lots of highway bundles of 6,000 km within 2024".

Apart from InvIT, NHAI may use the toll-operate-transfer (TOT) and toll securitisation routes to monetise these public-funded highway assets. Experts say monetisation of these assets may help NHAI to raise up to ₹60,000 crore, at an annual average of ₹15,000 crore. NHAI had earlier said it would launch the first InvIT in the first quarter of 2020-21 with the aim of raising ₹5,000-6,000 crore.

NHAI needs additional funds as it is increasingly awarding projects though the engineering, procurement and construction (EPC) route, where it is to bear all the expenses. It is in dire need of funds also to finance its burgeoning debt which touched ₹2.28 lakh crore at the end of February, 2020.

BSNL raises ₹8,500 cr via sovereign guarantee bonds

FE BUREAU
New Delhi, September 21

STATE-RUN BSNL HAS raised ₹8,500 crore through issuance of sovereign guarantee bonds, with a maturity of 10 years. The funds raised will be utilised for debt refinancing and meeting the capex requirements.

As per BSNL CMD PK Purwar, the issue saw participation of National Pension Scheme, Rural Postal Life Insurance, State Bank of India, Punjab National Bank among others.

BSNL has a debt of around ₹20,000 crore. The bond issue was subscribed over two times and the company received bids worth ₹17,183 crore from 229 investors. The firm has offered government guaranteed unsecured, redeemable, listed, taxable, non-convertible debentures of face value of ₹10 lakh each at par, with a base issue size of ₹1,000 crore with option to retain oversubscription up to ₹7,500 crore, aggregating to total issue size of ₹8,500 crore.

Purwar said the BSNL management has decided to retain the full subscription of ₹8,500 crore at a coupon rate of 6.79%. These bonds would be listed on BSE soon and the proceeds will be used for debt re-financing and meeting its capex requirements.

India's imports from China dip 27.63% during Apr-Aug: Goyal

India's imports from China declined by 27.63% during April-August this fiscal to $21.58 billion over the same period previous year, Parliament was informed on Monday. Value of imports from China stood at $4.98 billion in August and $5.58 in July, according to the data provided by Commerce and Industry Minister Piyush Goyal.—PTI

From the Front Page

Farm Bills: Mandi tax reason for Punjab anger?

Even though the tax burden on the grain supply chains and the disparities of tax incidence across the states have reduced significantly after the introduction of the goods and services tax regime (under which grains are exempt), FCI and other state-run procurement agencies still fork out tidy sums as assorted levies in the process of procuring grains, mainly rice and wheat, from farmers for the central pool stocks. And this jacks up the Centre's food subsidy bill.

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.

Punjab, for instance, 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 is not far behind with an aggregate levy of 6.5% (market fee 2%, development cess 2%, arthiya commission 2.5%). This is against the pan-India average of 6% of MSP.

Punjab and Haryana together collected ₹2,600 crore – Punjab ₹1,750 crore and Haryana ₹850 crore – out of ₹8,600 crore collected across India as mandi fees alone, of trade in all farm commodities in FY20.

Before the GST's launch, various levies paid by FCI added up to even higher 13% of the MSP paid to farmers on a pan-India basis. The levies ranged from a relatively modest 3.6% in Rajasthan to 11.5% in Haryana, 14.5% in Punjab and 13.5% in Andhra Pradesh, the major producers of grains.

While the relief due to GST is in terms of scrapping of VAT (which was subsumed in GST) is substantial, the assorted levies that FCI and other procurement agencies still need to pay include mandi tax, arthia (agent) commission, rural development cess, infrastructure development cess.

The agriculture marketing reforms through the two new Bills passed by Parliament will help the Centre reduce the tax burden on it on account of the Food Security Act/PDS, if FCI and other agencies start procuring at the market rates circumventing the mandis.

Prime Minister Narendra Modi on Monday made it clear in a televised address to the nation that the MSP system would continue. Stating that the current laws tied the hands of farmers, he said the reforms would enable them to be self-sufficient with access to multiple buyers.

However, even as Modi assured farmers that the Centre would continue to procure at MSPs, as a first step towards reforms, plan are already afoot in Punjab to purchase grains directly from farmers bypassing mandis and arthiyas during next paddy procurement season starting October 1.

The Centre (via FCI and other procurement agencies) had spent as much as ₹7,600 crore just to pay mandi tax and arthiya commission (in equal ratio) in procuring paddy and wheat during 2019-20. The total tax incidentals could even be higher considering the cess and other local levies.

To look over the scenario prevailed before the GST's July 2017 launch, FCI itself had paid ₹10,336 crore in 2015-16 towards VAT, market fee or mandi taxes and development fee to key rice and wheat procuring states such as Punjab, Haryana, Andhra Pradesh, Uttar Pradesh, Madhya Pradesh, Andhra Pradesh and Odisha. Of this, the VAT component was more than a third.

YONO to be stand-alone platform: SBI chairman

"Suppose, someone wants to use API of personal loan, we can allow that," Kumar said. "Ultimately, SBI will also pay for usage," he further added. However, SBI wants to utilise its full potential first, before making it an independent platform.

SBI has started preparing a separate balance sheet for YONO which earned a net profit of ₹200 crore in the June quarter and on which 3,85,675 transactions take place daily. The lender aims to increase the customer size by more than 50% to 4.2 crore by March 2021 from current user base of 2.7 crore. The bank has added 71 lakh new customers during the pandemic between March and August 2020. Total number transactions on YONO have doubled to 1.1 crore in August 2020, from 66 lakh in March 2020.

The bank is also testing security aspects and the chairman said the platform will be hived off only after sorting all security related issues. "There is no point to bring a half-baked product in the market," he added.

Kumar also specified that YONO platform is not just a mobile application, but an 'omnichannel' experience. In his opinion, the super app could be valued at $40 billion. However, any independent agency has not done a valuation of the company.

Air India sale: Allow bidders to quote own terms, says panel

Under the Option 1, no change in its debt level (residual debt to remain ₹23,286 crore) will be allowed and only extension of timeline be given for bidders to submit the EoIs. Alternatively, it said, the debt level may be cut to ₹17,464 crore, with associated changes in timelines but without additional changes in bidding construct.

Under Option 2, which the IMG favours – there won't be a pre-fixed debt level; bidders can quote combined debt plus equity value (enterprise value) with associated changes in timelines and employee-related flexibilities mentioned above.

The third option mooted is that the government would continue to run AI for 2 years without privatisation, which could cost the exchequer ₹15,435 crore. The fourth option is to close down the national carrier, which would entail that the exchequer absorb all debt and loss of jobs for all employees.

The core group of secretaries on disinvestment and the ministerial panel on AI disinvestment would take a final decision in this regard.

The Centre had floated EoI and preliminary information memorandum (PIM) on January 27 and EOI was sought by March 17 (extended to October 30 and may further be extended by up to 60 days with likely modified bidding conditions).

Along with AI, the government is also offloading its 100% stake in its low-cost subsidiary, Air India Express (AIXL) and 50% of AISATS, which provides cargo and ground handling services at major Indian airports. The debt of AI and its low-cost subsidiary is being reduced by the government to around ₹23,286 crore (to be taken over by potential buyer) from ₹60,000 crore as on March 31, 2019. Additionally, the national carrier and its subsidiary have liabilities worth ₹25,000 crore. Of this, the buyer would have to take over only ₹9,700 crore liabilities backed by assets.

Buttressing its case for EV-based bidding, TA said "(this) allows for market discovery of value based on real assumptions, as the process is not anchored to a 'debt level' that can be misconstrued as an indicative bid price. Such bidding method has some precedents (NCLT/IBC transactions follow similar construct)".

Some of Dipam (department of investment and public asset management) disinvestment process (disinvestment of steel plants of SAIL being conducted on a debt free basis) appear to have followed similar bidding pattern, it added.

"Such an approach would continue to have certain checks and balances in respect of GOI's interest in form of reserve prices," it added. The TA has observed that with each passing year AI is becoming less attractive as its domestic market share is shrinking and other airlines are expanding their footprint in international operations (the core strength of AI).

Insolvency threat triggers ₹5-lakh-cr loan recovery

According to the latest data compiled by the Insolvency and Bankruptcy Board of India (IBBI), financial creditors – the most important group among the class of creditors – realised ₹1,88,893 crore from resolution/liquidation of defaulting firms until June 30 this year, against their admitted claims of ₹4,22,609 crore, marking a recovery of 44.7% since late 2016.

Replying to a debate on the Insolvency and Bankruptcy Code (Second Amendment) Bill, 2020, in the Rajya Sabha on Saturday, finance minister Nirmala Sitharaman said the IBC's priority had been to "keep the companies as going concern rather than liquidating them". She also highlighted the IBC's role in anchoring default resolution even before its actual use.

Citing the RBI data, Sitharaman said in FY19, the recovery under the IBC was as much as 42.5% of the admitted claims, way better than that through other tools, such as Lok Adalat (5.3%), Debt Recovery Tribunals (3.5%) and the SARFAESI Act (14.5%). The recovery under the IBC has since improved to 44.7%, show the IBBI data.

A top executive with a state-run bank told *FE*: "Some legal purists may scoff at the perception that the IBC is being used more as a tool for recovery rather than resolution. But the fact is that it has helped enforce some discipline in the country's credit culture. Even if it's used purely as a recovery tool – which it's not – it's still fine. For far too long, defaulters had it too easy at the cost of lenders."

"That said, the challenge is to stick to the mandatory 270-day time-frame, and this is where more work needs to be done," said the banker. Most high-profile insolvency cases, including Essar Steel and Bhushan Power and Steel, have been mired in litigation, thanks to dogged pursuits of defaulting promoters to hold on to their firms.

Data available with the IBBI show, of the 2,108 ongoing cases as of June 2020, the resolution of as many as 1,094 has been dragging on beyond the mandatory 270 days, primarily due to legal hassles.

As *FE* reported earlier, to cut delay, the government is planning to soon notify a special insolvency resolution framework for stressed MSMEs, which is likely to reduce the mandatory time-frame for submitting a resolution plan for such businesses to just 90 days.

The Rajya Sabha has already approved the Bill to suspend insolvency proceedings for up to a maximum of one year against fresh Covid-related default from March 25. The Bill seeks to replace an ordinance that was promulgated in June to provide relief to thousands of firms battered by the Covid-19 pandemic.

Since the pandemic has hit every industry, it's difficult to find suitors if a large number of companies are put on the block for resolution, hence the move to suspend insolvency against Covid-related default. The government, however, has made it clear that insolvency applications filed for default before March 25 (when a national lockdown was imposed) are being entertained.

Taiwan tension: China releases video simulating attack on US

"We are the defenders of the motherland's aerial security; we have the confidence and ability to always defend the security of the motherland's skies," the air force wrote in a brief description for the video. Neither China's defence ministry nor US Indo-Pacific Command immediately responded to requests for comment on the video.

Collin Koh, a research fellow at Singapore's Institute of Defence and Strategic Studies, said the video was aimed at highlighting China's growing prowess in long-range power projection.

"The video is meant to warn the Americans that even supposedly safe, rearward positions such as Guam may come under threat when conflicts over regional flashpoints, be it Taiwan or South China Sea, erupt," he said.

Illicit funds reports: HSBC, StanChart shares fall to 22-year lows

StanChart dropped as much as 4.6% in London to its lowest since 1998, against the backdrop of a broader selloff in the market with the STOXX European banks index down 4.8%.

More than 2,100 SARs, which are in themselves not necessarily proof of wrongdoing, were obtained by BuzzFeed News and shared with the International Consortium of Investigative Journalists (ICIJ) and other media organisations.

In a statement to Reuters on Sunday, HSBC said "all of the information provided by the ICIJ is historical". The bank said that as of 2012 it had embarked on a "multi-year journey to overhaul its ability to combat financial crim".

StanChart said in a statement it took its "responsibility to fight financial crime extremely seriously and have invested substantially in our compliance programmes".

Barclays said it believes it has complied with "all its legal and regulatory obligations, including in relation to US sanctions".

The most number of SARS in the cache related to Deutsche Bank, whose shares fell 5.2% on Monday. In a statement on Sunday, Deutsche Bank said the ICIJ had "reported on a number of historic issues".

"We have devoted significant resources to strengthening our controls and we are very focused on meeting our responsibilities and obligations," a spokesperson for the bank said.

London-headquartered HSBC and StanChart, among other global banks, have paid billions of dollars in fines in recent years for violating US sanctions on Iran and anti-money laundering rules.

The files contained information about more than $2 trillion worth of transactions between 1999 and 2017, which were flagged by internal compliance departments of financial institutions as suspicious.

The ICIJ reported the leaked documents were a tiny fraction of the reports filed with FinCEN. HSBC and StanChart were among the five banks that appeared most often in the documents, the ICIJ reported.

"It confirms what we already knew – that there are huge numbers of SARs being filed with relatively low numbers of cases brought through to prosecution," said Etelka Bogardi, a Hong Kong-based financial services regulatory partner at law firm Norton Rose Fulbright.—REUTERS

● LOCKDOWN EFFECT

Industries adopt captive solar power to cut costs

VIKAS SRIVASTAVA
Mumbai, September 21

FALLING REVENUES AND increasing electricity costs during the lockdown have forced a lot of companies across industries to shift to captive solar power generation to cut down on the recurring cost of energy, according to major solar end-to-end services players. Many companies have virtually managed to reduce their electricity cost to as low as the fixed cost, and see the payback on their investments in three-four years, these sources claim.

For consumption of 1 MW of electricity, companies pay around ₹27 lakh as electricity bill that gets reduced to ₹2 lakh or so in one year as they just pay the fixed cost component on thermal power, since the factories are still connected to the Grid.

Rahul Gupta, MD & CEO of Rays Experts, a major solar park developer in India, told *FE* their order book increased by over 50% year-on-year in the April-June quarter of 2020, as companies realised the importance of captive solar power plants in saving a major recurring cost. "Captive solar plants have turned out to be a really good business model. Given the incentives offered by the government in states like Rajasthan and Gujarat, people are making a 20-25% IRR. The commercial tariff is around ₹9/kWh, while industrial tariff is around ₹7-7.5/kWh, which is very high and can be essentially saved by the companies," Gupta said.

According to industry experts, the cost of installing a 1 MW solar power plant along with transmission cost is ₹4 crore that can be recovered in 3-4 years time frame. Since the companies do not have the luxury of space on the roofs, solar parks can help to build capacity and meet the entire requirement for companies. A lot of companies are using the rooftops as well as utilising resources from the solar park.

Puneet Goyal, founder & director of SunAlpha Energy, a major rooftop solar EPC player, said that won around 10-12 large clients during the April-June quarter of 2020, also said lockdown has compelled industries to look into their recurring expenses. Companies which used to focus on saving on revenue operations have now realised electricity cost could be saved. The falling interest rates for rooftop projects have also helped companies to get bank funding for captives solar power.

"A client of ours who invested close to ₹3.6 crore on a rooftop solar plant in Rajasthan has already saved ₹1.2 crore in one year which is reflecting in his balance sheet. If the roof was bigger he would have got a bigger plant and saved even more. Any industry that sees a payback in three years that becomes a natural investment," Goyal said.

Imaan Javan, director of operations at US-based EPC player, Suntuity REI, said: "We have done a 103 kilo watt (KW) power plant for a school at Marine Lines in Mumbai where the clients invested ₹50 lakh and their electricity bill reduced from ₹24 lakh per year to ₹2 lakh. We have customised the plant in such a way that around 99% of their demand is on solar. The payback period in this case is less than three years," Javan said.

'India saved ₹5,000 cr by filling key reserves with low-priced oil'

PRESS TRUST OF INDIA
New Delhi, September 21

INDIA SAVED OVER ₹5,000 crore when the country in April-May used two-decade low international oil prices to fill up its three strategic underground crude oil storages, petroleum minister Dharmendra Pradhan said on Monday.

Petroleum minister Dharmendra Pradhan

India, the world's third-biggest oil importer, has built strategic storages in underground rock caverns at three places to meet any contingency.

"Taking advantage of the low crude oil prices in the international market, India purchased 16.71 million barrels (mbbl) of crude in April-May, and filled all the three strategic petroleum reserves created at Visakhapatnam, Mangalore, and Padur," Pradhan said in a written reply to a question in the Rajya Sabha.

The average cost of procurement of crude oil was \$19 per barrel, as compared to \$60 a barrel prevailing during January 2020. This helped save \$685.11 million or ₹5,069 crore, he said.

While the 5.33 million tonnes of emergency storage — enough to meet India's oil needs for 9.5 days — was built in underground rock caverns in Mangalore and Padur in Karnataka and Visakhapatnam in Andhra Pradesh by the government, state-owned oil firms were in April asked to buy crude oil when global rates fell to a two-decade low. Oil prices globally had slumped after the coronavirus pandemic pummelled demand. The storages at Mangalore and Padur were half-empty and there was some space available in Vizag storage as well. These were filled by buying oil from Saudi Arabia, the UAE and Iraq.

The Strategic Petroleum Reserve entity of India (ISPRL) built the underground storages at Mangalore and Padur in Andhra Pradesh and Visakhapatnam in Andhra Pradesh as insurance against supply and price disruptions.

Mangalore storage has a total capacity of 1.5 million tonnes. Of this, half had previously been hired by Abu Dhabi National Oil Co (ADNOC) to store its crude oil. The remaining half was in April/May filled by oil brought by state-owned oil firms.

Crude import bill falls 61% to \$17.7 bn in April-August

FE BUREAU
New Delhi, September 21

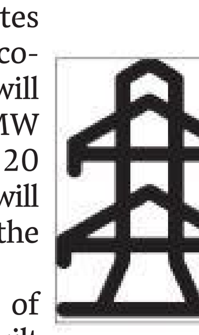
CRUDE IMPORT BILL in the first five months of the current financial year fell 60.7% annually to \$17.7 billion, even though the volume of crude oil sourced from outside was only 22% lower than that in the same period a year ago.

In rupee terms, cost of crude imported in the period was 57.5% lower year on year (YoY) to ₹1.33 lakh crore. According to the government's petroleum planning and analysis cell, 73.8 million tonnes (MT) of crude oil have been imported in the country in the April-August period this year. The price of the Indian crude oil basket, which stood at an average of \$64 a barrel in January, is currently trading around \$42/barrel, after it had plunged to around \$20 in April.

India imports close to 85% of its annual crude oil requirements, and the massive oil bill (it makes up for 21% of the country's imports) is the biggest driver of the country's trade deficit, and consequently current account deficit. Benefits of lower prices are seen to sustain going forward as Saudi Arabia, Iraq, UAE and Kuwait, which account for 54% of India's crude imports, have recently reduced crude oil rates for October shipments.

UP aims 12,734-MW power output by 2022

DEEPA JAINANI
Lucknow, September 21



THE UTTAR PRADESH government, which is aiming to make the state self-reliant by increasing power production, aims to more than double its power generation to 12,734 MW in the next two years. While the state currently generates 5,474 MW, the upcoming power stations will add another 7,260 MW by 2022. Of this, 1,320 MW power generated will be commissioned by the end of this year.

Of the two units of 660 MW each, being built at Meja — a ₹12,176-crore joint venture project with NTPC — one unit has already been commissioned in April last year, while the other will start from the first week of October. Similarly, the ₹6,011.83-crore 660 MW Harduaganj thermal project of UP Vidyut Utpadan Nigam will also start generation by December.

The other projects that would start power generation by the end of 2021 or early 2022 include the two units of 660 MW each at Obra-C, being built at a cost of ₹10,416 crore, two units of 660 MW at Jawaharpur thermal project, being constructed at a cost of ₹10,566 crore.

"Power evacuation from the ₹5,816.70-crore 600 MW Panki thermal power project will start in December 2021, while the three units of the ₹17,237.80-crore Ghatampur project, a joint venture project with Neyveli Lignite Corporation, will also start from May 2022. The project will generate 1,980 MW of energy," said an official of Utpadan Nigam.

Fresh tender for Vande Bharat project

FE BUREAU
New Delhi, September 21

THE RAILWAYS HAS floated a revised tender of semi-high-speed 44 Vande Bharat train sets after cancelling the previous one in which a Chinese company had participated.

This is the first big tender under revised DPIIT norms of 'Atmanirbhar Bharat', which makes it mandatory to use at least 75% domestic components while giving preference to local suppliers. The tender is for three-phase propulsion, control and other equipment along with bogies for train sets.

The earlier tender allowed indigenous content of 50%, which was to be increased and revised in compliance with the new public procurement policy issued by the government in June.

These indigenous electric multiple units shall be manufactured at Integral Coach Factory in Chennai, Rail Coach Factory in Kapurthala and Modern Coach Factory in Raebareli. The pre-bid meeting will be held on September 29 and the tender opening date is scheduled for November 17.

The ₹1,500-crore Vande Bharat project was taken over by the Railway Board, which had decided to float the tender after ICF failed three times to bid out the train set manufacturing contract. The last tender was floated on December22, 2019, by the ICF and was opened on July 11 and finally discharged on August 21.

IOCL to invest ₹17,825 crore in Gujarat refinery to boost petrochem production

FE BUREAU
New Delhi, September 21

STATE-RUN INDIAN Oil Corporation (IOCL) will invest ₹17,825 crore in its Gujarat refinery to boost its capacity to produce petrochemicals, the company said on Monday. The development is in line with the IOCL's strategy to facilitate petrochemical integration into its refinery expansion plans, as this group of products is touted to be the biggest driver of oil demand in the long term. The Gujarat refinery upgrade is expected to be completed in 42 months.

"The intention is to increase petrochemical intensity to insulate ourselves from the vagaries of auto fuel margin cracks and guarantee better refining margins," IOCL chairman SM Vaidya said on Monday while addressing the media after the company's 61st AGM. IOCL net profit fell 47% annually to ₹1,910.8 crore in the quarter ended June 30, mainly due to inventory losses stemming from fluctuations in global oil prices. The petrochemicals business is expected to act as a cushion to its low-margin refinery business.

Vaidya said though the company was revising the long-term demand scenario after the coronavirus crisis, it was on track to spend the ₹26,233-crore capex earmarked for FY21.

CBI books dairy products firm directors over ₹1,400-crore bank fraud

THE CBI MONDAY conducted searches at eight locations after booking Delhi-based dairy products company Kwality and its directors for allegedly cheating a Bank of India-led consortium, causing a loss of over ₹1,400 crore, officials said.

The CBI has registered the case against Kwality and its directors Sanjay Dhingra, Siddhant Gupta, Arun Srivastava, besides other unidentified persons, they said. "It was alleged in the complaint that the said accused had cheated the Bank of India-led consortium comprising BOI (lead bank), Canara Bank, BoB, Andhra Bank, Corporation Bank, IDBI, Central Bank of India, Dhanlaxmi Bank, Syndicate Bank to the tune of ₹1400.62 core (approx.)," CBI spokesperson RK Gaur said. They allegedly cheated the banks by way of diversion of bank funds, among other methods. —PTI

Companies

TUESDAY, SEPTEMBER 22, 2020

$10-TRILLION ECONOMY
Sanjiv Mehta, CMD, Hindustan Uniliver

In the last three decades, we have achieved about 6-6.5% GDP growth rate on an average...the potential of the country is there...in next 12-15 years, we could be on the cusp of becoming a $10-trillion economy.

Quick View

RITES wins ₹475-cr contract for railway electrification works

TRANSPORT INFRASTRUCTURE Consultancy and Engineering firm RITES on Monday said it has won a ₹474.92-crore contract for railway electrification works."RITES has been awarded a contract for railway electrification works on competition basis amounting to ₹474.92 crore," the company said in a regulatory filing.

HCL Tech to acquire Australian firm DWS

HCL TECHNOLOGIES on Monday said it will acquire Australian IT solutions firm DWS, a move that will help it strengthen its position in the Australia and New Zealand market. In a regulatory filing, it said the total equity value payout will be about ₹850.33 crore after considering a total number of shares at 131.83 million on a fully diluted basis.

MPL raises $90 million in Series C funding

MOBILE PREMIER League (MPL), an e-sports and mobile gaming platform, has raised $90 million in Series C funding, led by SIG and early-stage tech investor RTP Global, along with MDI Ventures and Pegasus Tech Ventures. The investment brings MPLs total funding to $130.5 million, a press release said on Monday.

Pep Technologies raises ₹42 cr in Series B funding

MUMBAI-BASED PEP Technologies, which owns caffeine-based skin and hair care brand mCaffeine, on Monday said it has raised ₹42 crore in a Series B funding round from a consortium of investors led by Amicus Capital along with RPSG Ventures and existing investor Telama Investments.

'₹3-5k crore needed to create extra vaccine mfg facilities'

ZYDUS CADILA chairman Pankaj R Patel said India would need to invest around ₹3,000-5,000 crore to create additional facilities for making a huge number of vaccines required for the Indian population. He also said the vaccine alone is not the solution to the Covid-19 problem.

Dalmia-OCL's 1.08-L tonne refractory line in Odisha

DALMIA-OCL on Monday announced setting up of a refractory line with 1.08 lakh tonne capacity at its Rajgangpur plant in Odisha to produce magnesia carbon bricks. It said it aims to complete the project in phases over two years. It, however, did not disclose the investment amount.

Amazon concludes 10-day initiative to help artisans

AMAZON HAS announced that 'Stand for Handmade' — a 10-week initiative to help over 10 lakh artisans and weavers and women entrepreneurs — has concluded. It enabled sellers from Amazon Karigar and Amazon Saheli register 3.2 times and 2.1 times growth, respectively.

ACCELERATING DEMAND

As sales rise, Hyundai nears normal production volumes

SAJAN C KUMAR
Chennai, September 21

SOUTH KOREAN CAR major Hyundai has said the company is close to achieving its normal production volumes in India, riding on the increased demand for its vehicles amid the ongoing Covid-19 unlock phase in the country.

With demand picking up month after month since May, Hyundai had started a third shift at both its production units in the Chennai plant from July end.

In an exclusive interview with *FE*, Tarun Garg, director, sales, marketing and service, Hyundai Motor India, who has been recently inducted on the company's board as a whole-time director, said the company has been ramping up its capacity utilisation with month-on-month sales registering an increase. From zero unit sales in April and 6,883 in May to 21,320 in June and 38,200 units in July, the company has been reporting constant rise in sales. In August, it reported a close to 20% growth in domestic sales on a year-on-year basis, he added.

Before the pandemic, Hyundai India had been producing 2,500 cars per day, while it had a total annual capacity of 7.50 lakh cars. Hyundai had ceased all production activities even before lockdown 1.0 was formally announced. During the actual lockdown from March 24 up to May 8, there was zero production. On May 8, Hyundai recommenced production, making 200 cars on that day. Ever since then, Hyundai has been gradually ramping up production.

For April to August, the carmaker retailed 1,22,945 units in the domestic market. In August, it retailed 43,535 units, a growth of 16% compared with July.

> We are happy our sales are showing good traction and month-on-month, we are seeing growth, but we also know the coronavirus is still there.
>
> — TARUN GARG, DIRECTOR, SALES, MARKETING & SERVICE, HYUNDAI INDIA

Garg further said the company believes that product diversity excites customers and brings them to car dealerships. In the last 18 months, Hyundai has launched eight new products in the Indian market — Kona, Venue, Elantra, Aura, Creta, Verna, Nios and Tucson. "We could grow the volumes in India because of our portfolio of new and range of products that give a slew of options even during these challenging times," he said.

According to Garg, Hyundai is perhaps the only company offering the BS-VI model in petrol, diesel, turbo as well as CNG versions.

Hyundai said it has become the market leader in three vehicle categories – SUV Low (Creta), compact SUV (Venue) and mid-high segment of sedan (Verna) during the April-August period. It sold 33,726 units of Creta; 20,372 of Venue; and 5,321 of Verna during the period. Pointing out that diesel still plays a big role in its sales growth story, Garg said, in Creta, around 60% sales are happening in diesel, while in Venue and Verna it is above 30%.

There is cautious optimism in the auto sector, Garg said. Though Hyundai achieved a 20% growth in August, it came on the low base of August 2019 figures. "We are happy our sales are showing good traction, but we also know the coronavirus is still there," he said.

Hyundai has seen bigger growth in smaller towns than in the metros. Uttar Pradesh, Madhya Pradesh and Jharkhand have been doing far better than Maharashtra, Delhi and Tamil Nadu. "It may be because farmers' income was less impacted; thanks to the monsoon and good crops, the rural economy has withstood the impact of the lockdown," he said. For the upcoming festival season, Hyundai is going to ensure adequate availability of cars with the dealers so that faster delivery can be achieved. "As supply chains are steadily improving, we will be able send more vehicles to dealers," Garg said.

BPSL resolution: ED moves SC seeking stay on NCLAT order approving JSW Steel bid

INDU BHAN
New Delhi, September 21

THE ENFORCEMENT DIRECTORATE (ED) has moved the Supreme Court seeking a stay on the National Company Law Appellate Tribunal's (NCLAT) order that approved the JSW Steel's bid for debt-ridden Bhushan Power and Steel under the new amendment (under Section 32(A) to the IBC) that provides immunity to the new owners from ongoing criminal proceedings against the erstwhile promoters of the company.

The ED is opposing the BPSL's committee of creditors' appeal seeking direction to JSW Steel to implement the resolution plan it had proposed for the bankrupt company.

JSW had offered to pay ₹19,350 crore to the financial creditors as part of its resolution plan, a near 60% haircut for the lenders. Apart from this, JSW had offered to pay operational creditors a sum of ₹350 crore against their admitted claims of ₹733 crore.

NCLAT had on February 17 upheld NCLT's decision and ruled that JSW Steel cannot be held responsible for the alleged misdeeds of the past promoters at any stage.

Seeking a stay on the appellate tribunal's decision, the ED, in its appeal, told the SC that BPSL and JSW Steel are associated as shareholders, holding 24.09% and 49% equity, respectively, in a joint venture called Rohne Coal Company. Therefore, JSW is a related party of the corporate debtor, and the protection under Section 32A will not be available to it, it said.

Saying that the formation of JV was not mandatorily required, the investigating agency said the NCLAT conclusion was based on the incorrect assumption that JSW was mandated by the Central government to join hands with the corporate debtor by virtue of which they could not be related persons. It said the resolution applicant was responsible for the acts of the old management.

Citing recent developments, ED stated it had raided BPSL resolution professional (RP) Mahender Kumar Khandelwal at Gurgaon and Delhi for allegedly helping its former promoters "clandestinely" in clearing the finished goods from its Odisha plant to other plants in Kolkata and Chandigarh. This practice resorted to by BPSL's erstwhile management had continued even after initiation of the CIRP on August 5, 2017, it said.

According to ED, the search operations conducted on August 19 and 20 on the residential premises of Khandelwal, BPSL office and the residence of one of BPSL ex-directors found incriminating documents, indicating a receipt of cash in lieu of preferential selection of coal suppliers and preferential selection of insurance firm for concerns under the NCLT were also found.

"The RP also attempted to destroy a crucial piece of evidence but it was prevented. Huge cash payments to various individuals outside the books of accounts indicate siphoning of cash from various concerns undergoing CIRP under NCLT. Further investigations are being conducted by way of recording of statements of various persons involved," the ED stated.

Further investigation had revealed that in May this year, sale of coke worth ₹43 crore had taken place from BPSL to Monnet Ispat and Energy, a JSW group company, the petition stated, adding that the sale had taken place without any tender.

The ex-promoters of BPSL are under investigation for diverting ₹4,025-crore bank funds taken as loans. The ED in October last year had provisionally attached BPSL's assets worth over ₹4,025 crore for diversion of funds by the erstwhile management prior to the commencement of CIRP. Though the attachment was lifted by NCLAT, the ED had then appealed against the order in the SC.

JSW has accused the CoC of deliberately misleading it by not disclosing the fact of siphoning of funds and fraud. The SC has not stayed the resolution plan, but has told the CoC that if JSW makes the payment but loses the case, the lenders should return the money within 60 days.

Lodha, MP Birla Group firms file pleas before Calcutta HC division bench against single-bench order

FE BUREAU
Kolkata, September 21

HARSH VARDHAN LODHA and MP Birla Group entities on Monday filed multiple applications before a division bench of the Calcutta High Court, challenging a single bench order which restrained him from holding any office in any of the entities of the MP Birla Group during pendency of the suit involving the contested will of late Priyamvada Devi Birla, the widow of MP Birla.

At least four applications were filed on Monday and more are to be filed before the hearing begins at the division bench later this week.

> The single bench restrained Lodha, MP Birla Group chief, from holding office in any of the group entities

In a setback for Lodhas, the Calcutta High Court last Friday restrained Lodha, the chairman of MP Birla Group, from holding any office in any of the entities of the group. Justice Sahidullah Munshi, in his order, said Lodha shall be restrained from drawing any benefit personally from out of the assets of the estate of the deceased (Priyamvada Devi Birla) during pendency of the Testamentary Suit.

Cement maker Birla Corp, copper and fibre optic cables maker Birla Cable and telecommunication cables maker Vindhya Telelinks are major group firms.

According to lawyers familiar with the application filed by Lodha, one of the grounds of appeal is that Friday's order was passed on some 30 promoter group entities, including listed companies, on exercise of voting right on shares held by them in group companies "without giving most any hearing at all" and it was a "violation of natural justice". Also, the verdict allegedly sought to change composition of independent trust and societies run by trustees and managing committees by removing a member without giving any of them any hearing.

The genesis of the over 16-year-old legal row between the Birlas and the Lodhas over controlling the over ₹5,000 crore-Birla Estate lies in the contested will of late Priyamvada Devi Birla, the widow of MP Birla, which was executed in July 1982 after the purported will allegedly transferred the shares of the MP Birla Group, collectively called the Birla Estate, in favour of Rajendra Singh Lodha. The legal tussle began after the July 1982 will gave away all assets to charities, but another dated April 18, 1999, gave them to Rajendra Lodha, now being pursued by his son Harsh Lodha and other heirs.

Xiaomi sells phones out of a van to expand reach

TWITTER PHOTO

BLOOMBERG
Mumbai, September 21

XIAOMI PLANS TO reach out to rural Indian consumers via a Mi Store on Wheels, hoping to sell smartphones to the remotest parts of the country at a time of growing anti-Chinese sentiment.

The country's top-selling smartphone brand is starting a travelling store, which will cover a specific route and stop in regions where people gather for weekly *haats* or street fairs. The pilot will also sell smart TVs, CCTV cameras, earphones, sunglasses and power banks, Xiaomi said in a release on Monday.

Xiaomi is just one of several brands that are taking their products directly to customers to make up for a lack of traffic in stores during the pandemic and the ensuing lockdowns. The Chinese smartphone maker held onto its top position in India's smartphone market for the June quarter, even as smartphone shipments halved and tensions between Delhi and Beijing led to a growing backlash against Chinese brands.

"MSoW outlets will be fully safe for consumers to visit. With this new initiative and having the largest exclusive single brand retail network, we are determined to reach the remotest of areas in the country and address the needs of customers, bringing the Mi Store experience to their neighborhood," said Muralikrishnan B, COO at Mi India.

'Telcos need to pay 10% of total AGR dues by March 31 irrespective of payment made'

New Delhi, September 21

TELECOM OPERATORS, INCLUDING Bharti Airtel and Vodafone Idea, which have pending adjusted gross revenue (AGR) dues will have to pay 10% of the total liability by March 31 irrespective of the part-payments made by them, according to government sources.

Operational telecom operators are expected to pay ₹12,921 crore by March 31, of which close to 80% has to be paid by Vodafone Idea and Bharti Airtel.

"The Supreme Court order is very clear that telecom operators have to make 10 per cent payment of the total dues as demanded by DoT by March 31, 2021. DoT has already raised demand for full AGR dues. The 10 per cent payment to be made by this March will be calculated on total AGR liability," a DoT official told PTI.

The officer said that telecom operators can clear the balance dues in 10 yearly instalments the next financial year onward.

—PTI

IT firms must become proactive problem-solvers: Narayana Murthy

PRESS TRUST OF INDIA
New Delhi, September 21

INFOSYS CO-FOUNDER NR Narayana Murthy on Monday said Indian IT firms must move from reactive problem-solving to having a proactive problem recognition and solution mindset, which will help increase the per capita revenue productivity.

Speaking at an AIMA event, Murthy said Indian IT companies will continue to grow anywhere between 7% and 10% with operating margins being between 15% and 20%.

He cited the example of customer surveys conducted during his tenure at Infosys, where customers said that while the IT firm was providing great service, they expected the company to play a proactive role in helping resolve strategic issues. "I think if the Indian IT industry moves from being reactive problem-solvers to proactive problem-definers and solution providers, our per capita revenue productivity will improve. We will become much better known and the growth will be spectacular," he said.

Asked about his views on the work-from-home mode being adopted amid the Covid-19 pandemic, Murthy said he isn't a "great fan" of work from home. "I believe the office is the place to work, home is the place to spend time with your loved ones. Mixing the two is not a good idea on a long-term basis. Yeah, I understand that there is no alternative therefore, we have adapted. But this should be a short-term solution," he said.

On mergers and acquisitions, Murthy said acquisition strategy should look at complementary strengths. He explained that if the target company adds value in terms of adding strength in a sector, helps bolster presence in a geography or has an IPR (intellectual property right) that can be leveraged for accelerating growth of services, there is merit in such a transaction.

Infosys co-founder NR Narayana Murthy

"I am a great believer in bottomline. I believe in topline, but that topline has to come with a very good bottomline... I am not a great fan of acquiring companies which have low margins," he added.

'Sebi must blacklist board members, officials guilty of governance deficit'

Murthy also suggested that market regulator Sebi must blacklist board members and officials found guilty of governance deficit, and the compensation paid to them be recovered. "Sebi must blacklist these board members and officers. The shareholders must vote them out," he said.

He noted that whistleblowing should not be an act of revenge by a disgruntled employee, and the whistleblower must substantiate his or her complaint with data and facts.

GETTING READY

Logistics, e-commerce companies gear up for upcoming festive sales

DEVIKA SINGH
New Delhi, September 21

AFTER A HALT, the upcoming annual festive season is likely to inject the much-needed cheer back into the economy, especially on the back of e-commerce sales.

The e-commerce companies in India organise several sale events during the festive season. In anticipation of the surge in orders, logistics companies such as Ecom Express, Blue Dart and Shadowfax have started ramping up their infrastructure and hiring manpower.

The flagship sales by Amazon and Flipkart — The Great Indian Festival and Big Billion Days — are the highlights of the season and mark the onset of shopping festivities. The first event of last year's festive sales, according to RedSeer Consulting, had raked in $2.7 billion in GMV (gross merchandise value). According to the consultancy firm, this year's first festive sales (dates of which are currently being finalised) are likely to grow 50% year-on-year and reach $4 billion in GMV.

The logistic firm, Ecom Express, has plans to create more than 30,000 seasonal jobs, while last-mile delivery player — Shadowfax — has already onboarded 35,000 people and plans to add another 35,000. E-tailers, too, are gearing up for the sale season. Flipkart, for instance, has hired 70,000 people for its supply chain operations.

According to Manish Saigal, MD, Alvarez and Marsal India, e-commerce shipments have witnessed a revival since July and stand at 42 lakh shipments a day. "We expect a jump of 35% during the festive season and the shipments may go up to 55-60 lakh a day," Saigal said.

Industry watchers expect that a significant share of orders this year might come from smaller towns. Similarly, RedSeer estimates that over 50% shoppers this season will be from tier II and beyond markets. "We plan to add 500 cities and be in 1,000 cities by the end of this year; most of this would be tier II, III and IV cities," says Praharsh Chandra, co-founder and COO, Shadowfax.

Amazon, too, plans to set up 10 more fulfilment centres in India ahead of the festive season, two of which has opened in Ludhiana and Patna. Similarly, about 75% of the Ecom Express' seasonal positions have been created in towns beyond metros. "While we have been ramping up our infrastructure in smaller towns, we have to apply data science to offer a good delivery experience," says Siddharth Agarwal, vice-president, and head of strategy and planning, Ecom Express.

The industry is also bracing up for a surge in demand for different product categories. "We are seeing increased demand for consumer durables and electronics that enable work-from-home, such as headphones, printers, smartphones and others," said Ketan Kulkarni, CMO and head of business development, Blue Dart.

Flipkart and Amazon together control about 55% of shipments (in volumes) in the e-commerce market. While their respective captive logistics arms Ekart and ATS manage 70% of these shipments, 30% of it is outsourced. Overall, independent logistics players have a 65% share in this market. Due to the increased demand during the festive season, both the leading marketplaces outsource a large share of their shipments. Though these companies are anticipating a massive surge in order volumes, servicing them would not be easy due to the localised lockdowns across the country.

"There has been a significant increase in operating cost of logistics players due to supply-side issues such as shortage of drivers," said PS Easwaran, partner and leader, supply chain, Deloitte India.

Besides this, experts say higher cash on delivery (COD) orders from smaller towns might present another challenge for these companies. "Reaching these far-off areas is not easy and since customers here still like to use COD options, it adds to the problem as returns are higher on COD orders," Saigal said.

MAGNA ELECTRO CASTINGS LIMITED

CIN: L31103TZ1990PLC002836
Registered Office: 43 (Old No 62), Balasundaram Road, Coimbatore - 641018, Tamilnadu.
Tel.: +91 422 2240109| **Fax:** +91 422 2246209 | **E-mail:** info@magnacast.com| **Website:** www.magnacast.com
Company Secretary and Compliance Officer: Sangeetha C

PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF EQUITY SHAREHOLDERS/ BENEFICIAL OWNERS OF EQUITY SHARES OF MAGNA ELECTRO CASTINGS LIMITED FOR BUYBACK OF EQUITY SHARES THROUGH TENDER OFFER UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA(BUY-BACK OF SECURITIES) REGULATIONS, 2018, AS AMENDED.

This Public Announcement (the **"Public Announcement"**) is being made in relation to the Buyback (as defined hereinafter) of Equity Shares (as defined hereinafter) of **MAGNA ELECTRO CASTINGS LIMITED** through the tender offer process made pursuant to the provisions of Regulation 7(i) of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (the **"Buyback Regulations"**), for the time being in force including any statutory modifications and amendments from time to time and contains the disclosures as specified in Schedule II to the Buyback Regulations read with Schedule I of the SEBI Buyback Regulations.

CASH OFFER FOR BUYBACK OF NOT EXCEEDING 4,00,000 (FOUR LAKH) FULLY PAID UP EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AT A PRICE OF ₹ 175/- (RUPEES ONE HUNDRED AND SEVENTY FIVE ONLY) PER FULLY PAID UP EQUITY SHARE ON A PROPORTIONATE BASIS THROUGH THE TENDER OFFER ROUTE

1. DETAILS OF THE BUYBACK OFFER AND BUYBACK PRICE

1.1 The Board of Directors (the **"Board"**) of **MAGNA ELECTRO CASTINGS LIMITED ("MAGNA" / "Company")** passed a resolution on Friday, September 18, 2020 (**"Board Meeting"**) to approve the buyback by the Company of fully paid-up equity shares of face value of ₹ 10/- each (**"Shares"** or **"Equity Shares"**) of the Company not exceeding 4,00,000 (Four Lakh) Equity Shares from the equity shareholders/beneficial owners of Equity Shares of the Company as on Record Date *i.e.* Thursday, October 1, 2020 (the **"Record Date"**) and such equity shareholders/ beneficial owners (the **"Eligible Shareholders"**) (for further details in relation to the Record Date, refer to Paragraph 9 of this Public Announcement), on a proportionate basis, through tender offer route (the **"Buyback"** / **"Buyback Offer"**) at a price of ₹ 175/- (Rupees One Hundred and Seventy Five Only) per Equity Share (**"Buyback Price"** / **"Buyback Offer Price"**) payable in cash, for an aggregate maximum consideration not exceeding ₹ 7,00,00,000 (Rupees Seven Crores Only) (the **"Buyback Offer Size"**). The Buyback Offer Size represents 9.52% of the aggregate of the Company's paid-up capital and free reserves as per the standalone audited financial statements of the Company for the financial year ended March 31, 2020.The Buyback is subject to receipt of any approvals, permissions and sanctions of statutory, regulatory or governmental authorities as may be required under applicable laws including but not limited to Securities and Exchange Board of India (**"SEBI"**) and BSE Limited (the **"BSE"**) (the **"Stock Exchange"**).

1.2 The Buyback Offer Size and the Buyback Offer Price do not include any expenses incurred or to be incurred for the Buyback like filing fees payable to the Securities and Exchange Board of India, advisors fees, public announcement publication expenses, printing and dispatch expenses, taxes *inter alia* including buy back taxes, securities transaction tax, goods and services tax, stamp duty and other incidental and related expenses.

1.3 The Buyback is in accordance with the provisions of Section 68, 69, 70 and all other applicable provisions, if any, of the Companies Act 2013, as amended (the **"Companies Act"**), the Companies (Share Capital and Debentures) Rules, 2014, as amended (the **"Share Capital Rules"**) to the extent applicable and in accordance with Article 39 of the Articles of Association of the Company, and subject to the provisions of the Buyback Regulations and such other approvals, permissions as may be required from time to time from the Stock Exchange where the Equity Shares of the Company are listed and from any other statutory and/ or regulatory authority, as may be required and which may be agreed to by the Board and/or any committee thereof. The Buyback would be undertaken in accordance with SEBI circular bearing number CIR/CFD/ POLICYCELL/1/2015 dated April 13, 2015 and circular no. CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 (the **"SEBI Circulars"**), which prescribes mechanism for acquisition of shares through stock exchange. In this regard, the Company will request BSE to provide the acquisition window.

1.4 The Buyback Offer Size represents 9.52% of the aggregate of the fully paid-up equity share capital and free reserves as per the standalone audited financial statements of the Company for the financial year ended March 31, 2020 (the last standalone audited financial statements available as on the date of the Board Meeting approving the Buyback) and is within the statutory limit of 10% of the aggregate of the fully paid-up equity share capital and free reserves as per the Board of Directors approval route as per the provisions of the Companies Act. Since the Company proposes to Buyback up to 4,00,000 (Four Lakh) Equity Shares representing approximately 8.73 % of the total number of Equity Shares in the total paid-up share capital of the Company, the same is within the 25% limit as per the provisions of the Companies Act.

1.5 The maximum amount required by the Company for the Buyback aggregating to ₹ 7,00,00,000 (Rupees Seven Crores Only), is within permitted limits. The funds for the Buyback will be met out of internally generated cash resources of the Company. The Company confirms that as required under Section 68(2)(d) of the Companies Act and Regulation 4(ii) of Buyback Regulations, the ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the fully paid-up share capital and free reserves after the Buyback.

1.6 The Buyback Offer Price of ₹ 175/- (Rupees One Hundred and Seventy Five Only) per Equity Share has been arrived at after considering various factors such as the average closing prices of the Equity Shares on the Stock Exchange where the Equity Shares of the Company are listed, the net-worth of the Company and the impact of the Buyback on the key financial ratios of the Company. The Buyback Offer Price of ₹ 175/- (Rupees One Hundred and Seventy Five only) per Equity Share represents (i) a premium of 45.65% over the volume weighted average price of the Equity Shares on BSE for 3 months preceding September 14, 2020 being the date of intimation to the Stock Exchange for the Board Meeting to consider the proposal of the Buyback (**"Intimation Date"**); (ii) premium of 39.91% over the volume weighted average price of the Equity Shares on BSE for 2 weeks preceding Intimation Date; and (iii) premium of 23.50% over the closing market price of the Equity Shares on BSE on Intimation Date.

1.7 The Buyback shall be on a proportionate basis from all the Eligible Shareholders of the Company through the **"Tender Offer"** route, as prescribed under Regulation 4(iv)(a) of the Buyback Regulations. Please see paragraph 9 below for details regarding Record Date and share entitlement for tender in the Buyback.

1.8 A copy of this Public Announcement is available on the Company's website (www.magnacast.com) and is expected to be available on the website of SEBI (www.sebi.gov.in) during the period of the Buyback and on the website of Stock Exchange (www.bseindia.com).

2. NECESSITY FOR BUY BACK

Buyback is the acquisition by a company of its own shares. Buyback is an efficient form of returning surplus cash to the members holding Equity Shares of the Company, *inter-alia*, for the following reasons:

i. The Buyback will help the Company to return surplus cash to its members holding Equity Shares broadly in proportion to their shareholding, thereby, enhancing the overall return to members;

ii. The Buyback, which is being implemented through the Tender Offer route as prescribed under the Buyback Regulations, would involve allocation of higher of number of shares as per their entitlement or 15% of the number of shares to be bought back, reserved for the small shareholders. The Company believes that this reservation of 15% for small shareholders would benefit a large number of public shareholders, who would get classified as "small shareholder";

iii. The Buyback would help in improving return on equity, by reduction in the equity base, thereby leading to long term increase in shareholders' value; and

iv. The Buyback gives an option to the members holding Equity Shares of the Company, who can choose to participate and get cash in lieu of Equity Shares to be accepted under the Buyback Offer or they may choose to not participate and enjoy a resultant increase in their percentage shareholding, post the Buyback Offer, without additional investment.

After considering several factors and benefits to the shareholders holding Equity Shares of the Company, the Board decided to recommend Buyback not exceeding 4,00,000 (Four Lakh) Equity Shares representing 8.73% of the total paid-up equity capital of the Company at a price of ₹ 175 (Rupees One Hundred and Seventy Five only) per Equity Share, payable in cash, for an aggregate maximum amount not exceeding ₹ 7,00,00,000 (Rupees Seven Crore only) excluding filing fees payable to the Securities and Exchange Board of India, advisors fees, public announcement publication expenses, printing and dispatch expenses, taxes inter alia including buy back taxes, securities transaction tax, goods and services tax, stamp duty and other incidental and related expenses, which represents 9.52% of the aggregate of the Company's paid-up capital and free reserves as per the standalone audited financials of the Company for the financial year ended March 31, 2020.

3. DETAILS OF PROMOTERS SHAREHOLDING AND INTENTION TO PARTICIPATE IN THE BUYBACK

3.1 The aggregate shareholding of the promoters, promoter group and person who are control of Company as on the date of the Board Meeting *i.e.* Friday, September 18, 2020 is given below:

Name of the promoters and promoter group	No. of Equity Shares held	No. of Equity Shares held in dematerialized form	Percentage of issued Equity Share capital
*N Krishna Samaraj	7,70,000	7,70,000	16.80
N Muthulakshmi	8,07,091	8,07,091	17.61
Ranganayaki N	1,95,000	1,95,000	4.26
Mahitha Vijayakumar	22,600	22,600	0.49
Janardhana Naidu Vijayakumar	10,100	10,100	0.22
Vijayakumar Venkatkumar	45,000	45,000	0.98
Nivedita Lakshmi Narayanaswamy	2,30,000	2,30,000	5.02
Ajeya Vel Narayanaswamy	8,000	8,000	0.17
Aditya Vijayakumar	55,255	55,255	1.21
N Krishna Samaraj	77,000	77,000	1.68
Total	**22,20,046**	**22,20,046**	**48.45**

**Shares held by N Krishnasamaraj HUF where N Krishna Samaraj is Karta*

3.2 Aggregate Equity Shares purchased or sold by the promoters, promoter group and person who are control of Company during a period of six months preceding the date of the Board Meeting, *i.e.* Friday, September 18, 2020:

Name of the promoters and promoter group	Aggregate number of Equity Shares purchased	Nature of transaction	Maximum Price (₹)	Date of maximum price	Minimum price (₹)	Date of minimum price
*N Krishna Samaraj	5,000	Market Purchase	138.00	19/03/2020	125.00	20/03/2020 23/03/2020
Nivedita Lakshmi Narayanaswamy	7,000	Market Purchase	140.00	18/03/2020	124.00	19/03/2020
Ajeya Vel Narayanaswamy	3,000	Market Purchase	134.00	19/03/2020	95.00	30/03/2020
N Krishna Samaraj	15,850	Market Purchase	140.00	18/03/2020	96.90	30/03/2020

** Shares held by N Krishnasamaraj HUF where N Krishna Samaraj is Karta*

3.3 In terms of the Buyback Regulations, under the Tender Offer route, the promoters and promoter group of Company have an option to participate in the Buyback. In this regard, the promoters and promoter group have *vide* their letters dated Friday, September 18, 2020 expressed they do not intend to participate in the Buyback.

4. NO DEFAULTS

The Board confirms that there are no defaults subsisting in the repayment of deposits, interest payment thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company.

5. CONFIRMATION BY THE BOARD OF DIRECTORS

The Board has confirmed on the date of Board Meeting (i.e. Friday, September 18, 2020) that it has made a full enquiry into the affairs and prospects of the Company and has formed an opinion that:

a) Immediately following the date of this Board meeting, there will be no grounds on which the Company could be found unable to pay its debts;

b) As regards the Company's prospects for the year immediately following the date of this Board meeting, 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 the date of this Board meeting; and

c) In forming an opinion as aforesaid, the Board has taken into account the liabilities, as if the Company were being wound up under the provisions of the Companies Act, 1956 or Companies Act, 2013 or Insolvency and Bankruptcy Code 2016, as the case may be, including prospective and contingent liabilities.

6. REPORT BY THE COMPANY'S STATUTORY AUDITOR

The text of the report dated Friday, September 18, 2020 received from M/s. Srikishen & Co., Chartered Accountants, Statutory Auditors of the Company addressed to the Board of Directors of the Company is reproduced below:

Quote

Auditor's Report as prescribed in the Clause (xi) of Schedule I of the Buyback Regulations

To
The Board of Directors,
Magna Electro Castings Limited
43, (Old No.62) Balasundaram Road,
Coimbatore - 641 018

Dear Sirs,

Sub: Report in terms of Clause (xi) of Schedule I of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018

We, Srikishen & Co, Chartered Accountants, the Statutory Auditors of the Company, have been informed that the Board of Directors of **Magna Electro Castings Limited** (the **"Company"**) in their meeting held on 18th, September, 2020, have decided to buy back Company's fully paid up equity shares as allowed under Section 68, 69 and 70 of the Companies Act, 2013, the Companies (Share Capital and Debenture) Rules, 2014 and subsequent amendments thereof and Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (**"Buyback Regulations"**) at a price of Rs. 175 (Rupees One Hundred and Seventy Five only) per share. In terms of the requirements of Clause (xi) of Schedule I of the Buyback Regulations, we confirm as under:

(i) We have inquired into the state of affairs of the Company in relation to its audited financials statements for the year ended March 31, 2020, as approved by the Board of Directors in the meeting held on 1st June, 2020 and unaudited limited reviewed results for the three months ended June 30, 2020 as approved by the Board of Directors in their meeting held on 31st July, 2020;

(ii) The amount of permissible capital payment towards buy-back of equity shares (including premium) in question as ascertained below in our view has been properly determined in accordance with Section 68(2)(c) of the Companies Act, 2013 and Regulation 4 of Buyback Regulations:

Particulars	Amount (Rs. in Lakhs) As on March 31, 2020 Standalone
Issued, subscribed and fully paid up equity shares:	
45,82,200 Equity Shares of Rs. 10 /- each, fully paid up	458.22
Total- A	**458.22**
Free Reserves	
General reserve	3400.00
Retained Earnings	3491.58
Total- B	**6891.58**
Total C= A+B	**7349.81**
Maximum amount permissible for the Buy-back i.e. 10% of the aggregate fully paid-up equity share capital and free reserves pursuant to Section 68(2)(b) of the Companies Act requiring Board Resolution.	734.98
Amount approved by the Board of Directors for buy-back in the meeting held on 18.09.2020.	700.00

(iii) Based on the representations made by the Company and other information and explanations given to us, which to the best of our knowledge and belief were necessary for this purpose, we report that we are not aware of anything to indicate that the opinion expressed by the Directors in the declaration as to any of the matters mentioned in the declaration as approved by the Board of Directors in their meeting held on 18.09.2020, is unreasonable in all the circumstances in the present context.

(iv) The Board of Directors in their meeting held on 18.09.2020 have formed the opinion in terms of Clause (x) of Schedule I of the Buyback Regulations, on reasonable grounds that the Company, having regard to its state of affairs, shall not be rendered insolvent within a period of one year from that date.

(v) We are not aware of anything to indicate that the opinion expressed by the Directors in the declaration as to any of the matters mentioned in the declaration is unreasonable in circumstances as at the date of declaration.

The compliance with the provisions of the Companies Act, 2013 and Buyback Regulations is the responsibility of the Company's management. Our responsibility is to report on the amount of permissible capital for the buyback and report that the audited accounts on the basis of which calculation with reference to buyback is done and read the resolution of the Board of Directors for the meeting held on 18.09.2020 referred to in paragraph (i) and (iv) above.

This report is addressed to and provided to the Board of Directors of the Company pursuant to the requirements of the Buyback Regulations solely to enable the Board of Directors of the Company to include it in public announcement, draft letter of offer and letter of offer to be circularised to the shareholders and filed with various regulatory agencies and providing to parties including the Manager to the offer, in connection with Buyback and should not be used for any other purpose or by any other person.

Yours faithfully,
For Srikishen & Co.
Chartered Accountants
Firm Regn. No. 004009S
Sd/-
K.Murali Mohan
Proprietor, Auditor
UDIN : 20014328AAAAJF8303
Place: Coimbatore
Date: 18.09.2020

Unquote

7. PROCESS AND METHODOLOGY TO BE ADOPTED FOR THE BUYBACK

7.1 The Buyback is open to all Eligible Shareholders of the Company, holding Shares in physical form (**"Physical Shares"**) and the beneficial owners holding Equity Shares in the dematerialized form (**"Demat Shares"**), on the Record Date as per the records made available to the Company by the Depositories/registrar.

7.2 The Buyback shall be implemented by the Company 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 9, 2016 following the procedure prescribed in the Companies Act and the Buyback Regulations and as may be determined by the Board (including the 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.

7.3 For implementation of the Buyback, the Company has appointed IDBI Capital Markets & Securities 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:

IDBI Capital Markets & Securities Limited
6th Floor, IDBI Tower, WTC Complex, Cuffe Parade, Mumbai - 400005
Contact Person: Ms. Charushila Parkar
Tel No.: +91 (22) 2217 1700 | **Fax No.:**+91 (22) 2215 1787;
Email: charushila.parkar@idbicapital.com | **Website:**www.idbicapital.com
SEBI Registration Number: INZ000007237
Corporate Identity Number: U65990MH1993GOI075578

7.4 The Company will request BSE to provide a separate acquisition window (the **"Acquisition Window"**) to facilitate placing of sell orders by Eligible Shareholders who wish to tender Equity Shares in the Buyback. The details of the platform will be as specified by BSE from time to time.

7.5 At the beginning of the tendering period, the order for buying Equity Shares will be placed by the Company through Company's Broker. During the tendering period, the order for selling the Equity Shares will be placed in the Acquisition Window of BSE by Eligible Shareholders through their respective stock brokers (**"Shareholder Broker"**) during normal trading hours of the secondary market. The Shareholder Broker can enter orders for Demat Shares as well as Physical Shares. In the tendering process, the Company's Broker may also process the orders received from the Eligible Shareholders.

7.6 The reporting requirements for Non-Resident Shareholders under the Foreign Exchange Management Act, 1999 and any other rules, regulations, guidelines, for remittance of funds, shall be made by the Eligible Shareholder and/or the Shareholder Broker through which the Eligible Shareholder places the bid.

7.7 Modification/cancellation of orders and multiple bids from a single Eligible Shareholder will be allowed during the tendering period of the Buyback. Multiple bids made by a single Eligible Shareholder for selling Equity Shares shall be clubbed and considered as "one bid" for the purposes of acceptance.

7.8 The cumulative quantity tendered shall be made available on the website of BSE (www.bseindia.com) throughout the trading session and will be updated at specific intervals during the tendering period.

7.9 **Procedure to be followed by shareholders holding Demat Shares**

a. Eligible Shareholders holding Demat Shares who desire to tender their Demat Shares under the Buyback would have to do so through their respective Shareholder Broker by indicating to the concerned Shareholder Broker, the details of Equity Shares they intend to tender under the Buyback.

b. The Shareholder Broker would be required to place an order/bid on behalf of the Shareholders who wish to tender Equity Shares in the Buyback using the Acquisition Window of the BSE. Before placing the order/ bid, the Eligible Shareholder would require to transfer the number of Equity Shares tendered to the special account of Indian Clearing Corporation Limited (**"Clearing Corporation"** / **"ICCL"**), by using the early pay in mechanism as prescribed by BSE or ICCL prior to placing the bid by the Shareholder Broker. This shall be validated at the time of order/ bid entry.

c. The details of the settlement number for the Buyback will be provided in separate circular which shall be issued at the time of issue opening by Stock Exchange/ Clearing Corporation.

d. For custodian participant orders for Demat 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 the closing of trading hours on the last day of the tendering period (*i.e.* date of closing of the Buyback offer). 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 bid, the Shareholder Broker shall provide a Transaction Registration Slip (**"TRS"**) generated by the stock exchange bidding system to the Eligible Shareholder on whose behalf the bid has been placed. TRS will contain details of order submitted like bid ID No., DP ID, client ID, No. of Demat Shares tendered *etc*.

f. In case of non-receipt of the completed tender form and other documents, but receipt of Demat Shares in the accounts of the Clearing Corporation and a valid bid in the exchange bidding system, the bid by such Equity Shareholder shall be deemed to have been accepted.

7.10 Procedure to be followed by the shareholders holding Physical Shares

a. In accordance with the SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020, the physical shareholders are allowed to tender their shares in the Buyback. However, such tendering shall be as per the provisions of the SEBI Buyback Regulations.

b. Eligible Shareholders who are holding Physical Shares and intend to participate in the Buyback will be required to approach their respective Shareholder Broker along with the complete set of documents for verification procedures to be carried out before placement of the bid. Such documents will include the (i) tender form duly signed by all Eligible Shareholders (in case shares are in joint names, in the same order in which they hold the shares), (ii) original share certificate(s), (iii) valid share transfer form(s)/Form SH-4 duly filled and signed by the transferors (*i.e.* by all registered 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 favour of the Company, (iv) self-attested copy of PAN Card(s) of all Eligible Shareholders, (v) 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 is deceased, *etc.*, as applicable. In addition, if the address of the Eligible Shareholder has undergone a change from the address registered 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: valid Aadhar card, voter identity card or passport.

c. Based on these documents, the concerned Shareholder Broker shall place an order/ bid on behalf of the Eligible Shareholders holding Equity Shares in physical form who wish to tender Equity Shares in the Buyback, using the Acquisition Window of BSE. Upon placing the bid, the Shareholder Broker shall provide a TRS generated by the exchange bidding system to the Eligible Shareholder. TRS will contain the details of order submitted like folio no., certificate no., distinctive no., no. of Equity Shares tendered *etc*.

d. Any Shareholder Broker/Eligible Shareholder who places a bid for Physical 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 bid, either by registered post, speed post or courier or hand delivery to the Registrar to the Buyback *i.e.* S.K.D.C. Consultants Limited (at the address mentioned at paragraph 11 below) not later than 2 (two) days from the offer closing date. The envelope should be super scribed as "Magna Electro Castings Limited Buyback 2020". One copy of the TRS will be retained by Registrar to the Buyback and it will provide acknowledgement of the same to the Shareholder Broker in case of hand delivery.

e. The Eligible Shareholders holding Physical Shares should note that Physical Shares will not be accepted unless the complete set of documents are submitted. Acceptance of the Physical Shares for Buyback by the Company shall be subject to verification as per the SEBI Buyback Regulations and any further directions issued in this regard. The Registrar to the Buyback will verify such bids based on the documents submitted on a daily basis and till such verification, BSE shall display such bids as 'unconfirmed physical bids. Once Registrar to the Buyback confirms the bids, they will be treated as 'confirmed bids'.

f. In case any Eligible Shareholder has submitted Physical Shares for dematerialisation, such Eligible Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Buyback before the closure of the tendering period of the Buyback.

8. METHOD OF SETTLEMENT

Upon finalization of the basis of acceptance as per Buyback Regulations:

8.1 The Company will transfer the funds pertaining to the Buyback to the Company's Broker bank account, who will transfer the funds pertaining to the Buyback to the Clearing Corporation's bank account as per the prescribed schedule. For Equity Shares accepted under the Buyback, the Equity Shareholders will receive funds pay-out in their bank account from the Clearing Corporation.

8.2 The Equity Shares bought back in the demat form would be transferred directly to the escrow account of the Company (the **"Demat Escrow Account"**) provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Demat Escrow Account on receipt of the Equity Shares from the clearing and settlement mechanism of the BSE.

8.3 The Eligible Shareholders will have to ensure that they keep the depository participant (**"DP"**) account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non-acceptance.

8.4 If the securities transfer instruction is rejected in the depository system, due to any issue then such securities will be transferred to the Shareholder Broker's depository pool account for onward transfer to the Shareholder. Excess Demat Shares or unaccepted Demat Shares, if any, tendered by the Eligible Shareholders would be returned to them by ICCL. In case of custodian participant orders, excess Demat Shares or unaccepted Demat Shares, if any, will be returned to the respective custodian participant. Any excess Physical Shares pursuant to proportionate acceptance/rejection will be returned back to the concerned Eligible Shareholders directly by the Registrar to the Buyback. The Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Physical Shares, in case the Physical Shares accepted by the Company are less than the Physical Shares tendered by the shareholder in the Buyback.

8.5 In case of certain shareholders *viz.*, NRIs, non-residents *etc.* (where there are specific regulatory requirements pertaining to funds payout including those prescribed by the RBI) who do not opt to settle through custodians, the funds payout would be given to their respective Shareholder Broker's settlement accounts for releasing the same to such shareholder's account.

8.6 The settlements of fund obligation for Demat Shares and Physical Shares shall be affected as per the SEBI circulars and as prescribed by BSE and ICCL from time to time. For Demat Shares accepted under the Buyback, such beneficial owners will receive funds payout in their bank account as provided by the depository system directly to the ICCL and in case of Physical Shares, the ICCL will release the funds to the Shareholder Broker(s) as per secondary market payout mechanism. If such shareholder's bank account details are not available or if the funds transfer instruction is rejected by the Reserve Bank of India ("RBI")/ bank(s), due to any reasons, then the amount payable to the concerned shareholders will be transferred to the Shareholder Broker for onward transfer to such shareholders.

8.7 The Shareholder Broker would issue contract note to the Company for the Equity Shares accepted under the Buyback. Company's Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buyback.

8.8 Eligible Shareholders who intend to participate in the Buyback should consult their respective Shareholder Broker for any cost, applicable taxes, charges and expenses (including brokerage) that may be levied by the Shareholder Broker upon the selling Eligible Shareholders for tendering Equity Shares in the Buyback (secondary market transaction). The Buyback consideration received by the selling Shareholders, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling Eligible Shareholders.

8.9 The Equity Shares bought will be extinguished in the manner and following the procedure prescribed in the Buyback Regulations.

9. RECORD DATE AND SHAREHOLDER ENTITLEMENT

9.1 As required under the Buyback Regulations, the Company has fixed Thursday, October 1, 2020 as the record date (the **"Record Date"**) for the purpose of determining the entitlement and the names of the shareholders, who are eligible to participate in the Buyback.

9.2 The Equity Shares proposed to be bought back by the Company, as part of this Buyback Offer shall be divided into two categories: (a) reserved category for Small Shareholders (A **"Small Shareholder"** is defined in the Buyback Regulations as a shareholder, who holds equity shares having market value, on the basis of closing price of the Equity Shares on the recognized stock exchange registering the highest trading volume in respect of such shares, as on record date, of not more than ₹ 2,00,000 (Rupees Two Lakh Only)) and (b) the General Category for all other shareholders, and the entitlement of a shareholder in each category shall be calculated accordingly.

9.3 In accordance with Regulation 6 of the Buyback Regulations, 15% (fifteen per cent) of the number of Equity Shares which the Company proposes to buy back, or number of shares entitled as per shareholding of Small Shareholders, whichever is higher, shall be reserved for the Small Shareholders as part of this Buyback.

9.4 On the basis of 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.

9.5 In order to ensure that the same Eligible Shareholder with multiple demat accounts/folios do not receive a higher entitlement under the Small Shareholder category, the Equity Shares held by such Eligible Shareholder with a common PAN shall be clubbed together for determining the category (Small Shareholder or General Category) and the Buyback entitlement. In case of joint shareholding, the Equity Shares held in cases where the sequence of the PANs of the joint shareholders is identical shall be clubbed together. In case of Eligible Shareholders holding physical shares, where the sequence of PANs is identical and where the PANs of all joint shareholders are not available, the Registrar to the Buyback will check the sequence of the names of the joint holders and club together the Equity Shares held in such cases where the sequence of the PANs and name of joint shareholders are identical. The shareholding of institutional investors like mutual funds, insurance companies, foreign institutional investors/foreign portfolio investors etc. with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are held for different schemes/sub-accounts and have a different demat account nomenclature based on information prepared by the Registrar to the Buyback as per the shareholder records received from the Depositories. Further, the Equity Shares held under the category of "clearing members" or "corporate body margin account" or "corporate body - broker" as per the beneficial position data as on Record Date with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are assumed to be held on behalf of clients.

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

9.7 The Eligible Shareholders' participation in the Buyback will be voluntary. The Eligible Shareholders can choose to participate and get cash in lieu of Equity Shares to be accepted under the Buyback or they may choose to not participate and enjoy a resultant increase in their percentage shareholding, post Buyback, without additional investment. The Eligible Shareholders may also tender a part of their entitlement. The Eligible Shareholders also have the option of tendering additional shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other Eligible Shareholders, if any.

9.8 The maximum tender under the Buyback by any shareholder cannot exceed the number of Equity Shares held by the shareholder as on the Record Date.

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

9.10 Detailed instructions for participation in the Buyback (tender 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 Eligible Shareholders as on the Record Date and the Company shall comply with the SEBI circular No SEBI/CIR/CFD/ DCR1/CIR/P/2020/83 on "Relaxations relating to procedural matters - Takeovers and Buy-back" dated May 14, 2020, read with SEBI circular No. SEBI/HO/CFD/DCR2/CIR/P/2020/139 dated July 27, 2020, as applicable.

10. COMPLIANCE OFFICER

Sangeetha C,
Company Secretary and Compliance Officer
MAGNA ELECTRO CASTINGS LIMITED
43 (Old No 62) Balasundaram Road Coimbatore 641018 Tamilnadu
Tel: +91 422 2240109 | **Fax:** +91 422 2246209
Email: sangeetha.c@magnacast.com | **Website:** Website: www.magnacast.com

Investor may contact the Compliance Officer for any clarification or to address their grievances, if any, during office hours i.e. 10:00 a.m. IST to 5:00 p.m. IST on all working days except Sunday and public holidays.

11. REGISTRAR TO THE BUYBACK OFFER/ INVESTOR SERVICE CENTRE

In case of any query, the shareholders may contact the Registrar to the Buyback on any day except, Sunday and public holiday from10:00 a.m. IST to 5:00 p.m. IST i.e. Monday to Friday and from 10:00 a.m. IST to 1:00 p.m. IST on Saturday, at the following address:

S.K.D.C. Consultants Limited
PB No. 2016, "Kanapathy Towers", 3rd Floor, 1391/A1, Sathy Road,
Ganapathy Post, Coimbatore – 641006, TN, India
Tel: +91 422 4958995, 2539835/ 836 | Fax: **+91 422 2539837**
Contact Person: Mr. K. Jayakumar;
E-mail: info@skdc-consultants.com | **Website:** www.skdc-consultants.com
SEBI Registration: INR000000775 | **Validity Period:** Permanent Registration
Corporate Identity Number: U74140TZ1998PLC008301

12. MANAGER TO THE BUYBACK OFFER

IDBI Capital Markets & Securities Limited
6th floor, IDBI Tower, WTC Complex, Cuffe Parade, Mumbai 400 005
Tel No.:+91 (22) 2217 1700 | **Fax No.:** +91 (22) 2215 1787;
Contact Person: Indrajit Bhagat/Chandresh Sharma
Email: magnabuyback2020@idbicapital.com | **Website:** www.idbicapital.com
SEBI Registration Number: INM000010866 | **Validity Period:** Permanent
Corporate Identity Number: U65990MH1993GOI075578

13. DIRECTORS' RESPONSIBILITY

As per Regulation 24(i)(a) of the Buyback Regulations, the Board of Directors of the Company accept the responsibility for the information contained in this Public Announcement and for the information contained in all other advertisements, circulars, brochures, publicity materials etc. which may be issued in relation to the Buyback and confirms that this Public Announcement contains true, factual and material information and does not contain any misleading information.

For and on behalf of the Board of Directors of **Magna Electro Castings Limited**

Sd/-	Sd/-	Sd/-
N Krishna Samaraj	**J Vijayakumar**	**Sangeetha C**
Managing Director	**Director**	**Company Secretary and Compliance officer**
(DIN: 00048547)	**(DIN: 00002530)**	**ACS- 34056**

Place: Coimbatore

Date: September 21, 2020

RAKA

Opinion

TUESDAY, SEPTEMBER 22, 2020

AN AUTOCRATIC REGIME

Chief minister of West Bengal Mamata Banerjee

"Suspension of the 8 MPs who fought to protect farmers interests is unfortunate & reflective of this autocratic Govt's mindset that doesn't respect democratic norms & principles"

The 'farmer' protests are driven by vested interests

States like Punjab & Haryana will lose out on hefty *mandi* taxes, and *arhatiyas* are faced with potential competition

GIVEN THAT JUST 6-8% of farmers across the country benefit from the government's MSP operations—and the government has made it clear these are not going to be disbanded—it is very clear the so-called 'farmer' agitation is actually one driven by vested interests; the long-overdue agriculture reforms, once they take root, can make a meaningful difference to the sector, so there is no reason for farmers to protest. Indeed, it is not surprising states like Punjab are at the forefront of the agitation given how the 8% or so *mandi* taxes they collect each time the central government buys grain from farmers will be hit once there is more competition to the *mandis*. Indeed, given the high commission that *arhatiyas* charge, they too will be hit once there are alternatives that will help farmers bypass them. The government should stay the course because it is on the right track; the three Bills aimed at freeing farmers from the *arhatiyas*, allowing agents to stock produce without being prosecuted and enabling contract farming, can help usher in a far more equitable ecosystem than the one we have today.

Of course, for the reforms to actually work—and for the government to win the confidence of the farming community—it has to ensure that its ₹1 lakh crore agriculture infrastructure plan is quickly rolled out to create the necessary infrastructure. To start with, it needs to help facilitate the setting up of enough rival *mandis* as soon as possible so that farmers can start moving away from the existing APMC-regulated *mandis* where the *arhatiyas* squeeze them. The state governments have been very tardy in dismantling the state APMC legislation, and they must now be persuaded—or pushed—to quickly part with land for the new *mandis*. Only when they get a good price for their produce, other than in the regular *mandis*, will farmers be convinced the new ecosystem is working in their favour. Indeed, when there are alternative selling avenues, including big retailers or Farmer Producer Organisations (FPOs) buying directly from farmers, even the *arhatiyas* will offer farmers a better deal. Contract farming will also help aggregate landholdings since, as the last agriculture census (2015-16) showed, 86% of all landholdings were small and marginal (less than two hectares).

Also, while MSPs are not the most efficient way to remunerate farmers—for over 90% of farmers, *mandi* prices are mostly below MSPs—it is probably politically astute to continue with the scheme until farmers have found better options. Once farmers start getting a better price, and with *arhatiyas* taking away less of this via their commissions, and once contract farming takes off, dismantling MSPs will be easier. Again, once inter-state and intra-state sales get going, the farmers will be better off. To be sure, since there are legitimate concerns on whether private-sector purchasers will really offer farmers good terms for their crop, it is important to put in various checks and balances and to ensure there is a good redressal mechanism. It is vital that the MSP system be dismantled, eventually, as this drives up costs, ensures water tables go down—as farmers grow the wrong crops—and distorts crop production patterns. Logistics costs add between 30% and 35% to the purchase price for the government. Indeed, it would be better, as Icrier professor Ashok Gulati argues, to replace the FCI-driven procurement with the China model—now being used in Telangana—of a per acre cash support instead. Since the scheme does not discriminate between crops in the manner the MSP one does, it will not influence what farmers grow.

If the terms of trade are, more often than not, against farmers, government policy has been an important reason for this. Indeed, the recent ban on onion exports as a response to rising prices makes it clear consumer interests generally trump farmers' interests; export bans and restrictions on the movement of produce across states have hurt farm profits over the decades. It is unfortunate that, while introducing three reform Bills, the government has opted to carry on some regressive policies of the past.

Don't burden schools

Delhi HC order on digital-gap misses some ground realities

THE INTENT OF the Delhi High Court (HC) surely was admirable—to ensure that no child gets left behind in terms of school education that is now being delivered digitally by many schools, thanks to the pandemic making regular classes an infection threat. But, its one-size-fits-all solution—last week, it ordered all schools, government and private, to provide digital devices and internet packs free to EWS/disadvantaged group (DG) students—will compound the problem. The court said if schools have decided to provide tuitions online, then they must ensure that EWS & DG students have access; failure to do so would be tantamount to "digital apartheid" and would be in violation of the Right to Education law. To be sure, the court made it clear that private, unaided schools will be entitled to claim reimbursement of "reasonable cost for procurement" of the gadgets/internet package from the state government under RTE. However, as a report in *The Indian Express (IE)* points out, there is many a slip between the cup and the lip.

As per the IE report, the distinction between fee-paying and EWS students is wafer-thin, mostly a matter of getting picked in the lottery draw or having the necessary documents to prove EWS status, in small private schools (popularly called budget private schools). Indeed, 10-15% of students who didn't have access to digital devices/internet in some of these schools belonged to both the fee-paying and EWS categories. So, while the HC said that by not providing equipment to EWS/DG students, the private schools were putting a financial barrier before such students in accessing digital tuitions, at the budget private schools, the order itself seems to be a barrier for fee-paying, but non-EWS students who still can't afford the gadgets/data packs. This is no small problem, given there are, as per the National Independent Schools Alliance (NISA), about 41,000 students in such schools in the national capital. Attempting to resolve an imagined "segregation" could end up making matters worse.

That apart, as per the findings of a NISA survey published earlier this month, fee payment at budget schools in the national capital during the period of the lockdown has fallen to 25% of the normal. With such low fee realisations—likely due to depressed wages/lost jobs in the fee-paying households—burdening schools with procurement and distribution of gadgets, and servicing data costs, against uncertain reimbursement by the state (the reasonable costs rider) could prove back-breaking for the small schools. At a time when, despite low fee realisations, they have invested in rolling out digital tuitions, involving infrastructure, talent, training, etc, costs, this will be patently unfair. A recent study, cited in a report by *The Times of India*, found that 1,000 schools—most of them with an annual fee under ₹50,000—were up for sale following the pandemic hitting their finances. At such a time, the state needs to facilitate schools and students alike, perhaps by procuring and distributing gadgets and servicing data costs for the needy rather than passing on the responsibility to the schools.

InnovationCENTRAL

The govt must think of ways to sustain support for future technologies like AI, AR/VR, IoT, blockchain, etc

THE GOVERNMENT—THROUGH its different departments—and statutory bodies like the Election Commission have engaged with start-ups for specific solutions in the past. But, it is only during the coronavirus pandemic that the government has shown a commitment to crowdsource innovations. It even held challenges to encourage indigenous app-development—giving a Kerala-based company a ₹1-crore award for developing a video-conferencing solution that could rival the likes of Zoom. Thus, the government announcing a challenge for AI solutions is a signal that it is on a track where it will actively encourage indigenous development of future technologies.

Last week, the government announced a ₹20 lakh reward for developing AI solutions for healthcare, education, agriculture, smart mobility, transportation and natural language processing. The top 15 start-ups will be supported at the virtual global summit on AI, AI-RAISE. India needs to invest more in such solutions, and focus on other upcoming fields, like blockchain, augmented reality, virtual reality, internet of things as well. It can learn from the US, which has even crowdsourced tech solutions for strategic sectors such as defence and space. Encouraging innovation through cash-rewards is one part of getting future-tech ready, the other is sustaining this. One way can be to have special terms of engagement for start-ups in government tenders. That is where the government—states and urban local bodies—can really benefit while creating a nurturing ecosystem.

AGRI REFORMS

STATE GOVERNMENTS MUST USE THE AGRI-REFORMS TO CREATE A ROADMAP FOR AGRICULTURAL TRANSFORMATION THAT TAKES THEM BEYOND THE SHORT TERM RICE-WHEAT-LED GAINS

LEAD farmers, don't mislead them

BASKAR REDDY & ANISH KUMAR

Authors have been working in the social sector for the last 2-3 decades. *Views are personal*

SEVERAL COMMENTATORS HAVE hailed the passing of the farm bills in Parliament as a historic, bold and transformative initiative taken under the leadership of the prime minister. Simultaneously, we are witnessing massive farmer protests in the agrarian states supplying the bulk of the government's MSP procurement. How did APMC, a critical pillar to ensure fair play in the 1960s, turn restrictive and regressive (in not allowing farmers to sell freely, to whomever they wished)? It is pertinent to know that only a farmer in India cannot exercise her fundamental right to sell what she produces to anyone she wishes, while a person in any other profession can do so. Caught in a time-warp, these set of reforms, in the Covid-times, have understandably laid bare conflicting positions, with many well-meaning farmer voices and entrenched interests on the same side.

There has been bipartisan consensus over the last two decades or so—both the UPA and the NDA governments have tried and failed to convince state governments to reform APMC Acts, notwithstanding periodic manifesto promises and model APMC Acts. They failed with both the 'carrot' and the 'stick' approaches, trying to link financial support to agriculture based on reforms. The present crisis created the perfect window to usher in these transformative reforms. We urge the commentariat and practitioners to locate these reforms within the wider changes in the overall rural economy, demographic shifts, role of the state, advent of technology and critical shifts in post-Covid supply chains.

People on both sides of the divide, and even outside who know nothing about agriculture, can arrive at the commonsensical benefits that would be ushered in as a result of new laws as also the risks. The four fundamental changes proposed are:

- A farmer will have the right to sell anywhere and to anyone who offers her the best price
- There is no need for a farmer or a company to pay *mandi* tax if the *mandis* are not providing any additional services
- Companies will only invest in infrastructure and food processing if they are given the freedom to procure and store whatever inputs are required for their business. *Ad hoc*-ism in the form of stock controls leads to uncertainty, and as a result, companies do not invest in infrastructure
- Companies engaging farmers in contract farming and providing crop advisory, inputs and assured buy-back is boon for the farmers. Of course, the government can always have a strong oversight on the way the companies engage with farmers and can anytime blacklist companies that are violating the prescribed norms.

The Centre can think of compensating states for losses from dwindling *mandi* taxes. *Arhatiyas* can be facilitated to provide modern, value-added services such as warehousing

If the benefits are so obvious, then why is there an opposition to these bold reforms? It is also pertinent to note the opposition is largely from two states, i.e. Punjab and Haryana, the two states regularly reporting farming as a profitable vocation. Unlike elsewhere, farmers from these states get 100% MSPs, thanks to the procurement by the Food Corporation of India (FCI). Two other stakeholders who stand to lose are state governments and commission agents (*arhatiyas*). *Mandi* boards play an important role in agriculture development; their stellar role in procurement during the Covid lockdown is widely acknowledged. Flexibility on the part of the central government to compensate for the loss of revenue or let FCI continue to pay *mandi* taxes for the next few years would help upgrade them into market exchanges for modern times. As far as the commission agents are concerned, the governments should work on a clear roadmap to modernise them by facilitating them in providing value-added services. As most of these commission agents are well-off, they could be leveraged to set-up grading and sorting, warehousing, cold chains and food processing infrastructure. This way, it is a win-win-win for the state government, farmers and the commission agents. If the rice-wheat monoculture continues for long, climate change and depleting water tables may turn Punjab into a desert. It is in this context that the state governments should take the LEAD in developing a roadmap for agriculture transformation:

- *Leverage* the reforms and move forward rather than getting stuck in the past: States can invite the private sector to invest in agriculture infrastructure and food processing units. Can we challenge ourselves to be the world's largest exporter of agriculture products and do better than small countries such as Israel and the Netherlands?
- *Engage* in environment-friendly and climate-smart agriculture practices. Soil health improvement and water conservation measures should be the top priority for the governments. Measures for the elimination of straw burning, the practice of zero tillage and conservation agriculture should be directly linked to farmer subsidies.
- *Accelerate* research and academic excellence to bring in the 'best in class' technologies which can double, or even triple, farmers' incomes compared to their incomes from rice and wheat system. More importantly, these institutions should have 10-15 years of vision in identifying threats posed by climate change and develop appropriate solutions.
- *Diversify* to grow high-value commodities such as vegetables, nutri-cereals, oilseeds and pulses. India currently imports $10 billion of edible oils; can we take this as a challenge to reduce our import dependence, earn better incomes and conserve the environment? Similarly, by diversifying into high-value crops such as vegetables and fruit, India could become the food-processing hub for the world.

With the short-term mindset of better incomes through rice-wheat monoculture, you may win a few rounds but could lose the war on agriculture transformation. If you want to ensure future generations see gainful, dignified opportunity in agriculture, it is time to reboot and LEAD farmers. Farmers have to be made part of the entrepreneurial ecosystem (FaME—Farmers as Micro-Entrepreneurs). This will accelerate the application of science and technology in agriculture production, minimising farmers' risks and add value in the agriculture sector through the use of modern business practices by building synergies between large scale micro-entrepreneurship and dynamic ag-tech startups.

Co-authored with R Venkataramanan, who has also been working in the social sector for the last 2-3 decades

Powering South Asia's energy trade links

South Asian nations need to see the comparative advantages they hold in various energy sectors, and must come together to benefit each other via trade links

GAURAV BHATIANI & SANJEEV AHLUWALIA

Bhatiani is Director, Energy & Environment, RTI International India and Ahluwalia is Advisor, ORF. *Views are personal*

SOUTH ASIA MUST invest at least $1 trillion over the next decade to develop energy infrastructure, enhance energy security, and reduce carbon footprint. While investments within each of the countries have increased, investments enabling cross border energy trade lag. Regional investments promoting cross border energy trade will allow optimisation of differentiated energy resources across countries, develop mutually beneficial interdepenendencies, apart from mitigating geopolitical and climate risks across the region.

South Asian countries are physically adjacent, but political and institutional distances remain significant. Prof Kaushik Basu, former chief economist, World Bank, notes that "Trust promotes trade; and trade fosters trust, interdependency, and constituencies for peace". Trust is best created through collaboration and trade. South Asia remains the least interlinked region. India's regional trade is just 3% of its global trade against the regional average of 5%, well below the 22% in Sub Saharan Africa and 50% in East Asia.

The opportunity for trade in energy services arises from the differentiated natural resource endowments. Nepal and Bhutan have hydropower potential far more than their demand. All South Asian economies are deficient in oil and gas, which makes collaboration in gas import cost-effective, and all have significant potential for new renewable power (solar, wind and biomass). But, management of intermittent supply can best be done through connected regional infrastructure.

Trade-in energy is recognised as a pathway for greater regional cooperation. But practise has lagged theory, as reflected by the near dormant South Asian Free Trade Agreement 2006, which remains bogged down by discriminatory import duties, high transaction costs, and poor infrastructure. However, three mutually advantageous opportunities present themselves.

First is co-development of Nepal's hydropower potential of 60GW, of which, only 2% is being used. Co-development via storage dams will enhance Nepal's electricity supply and income and revenue from the export of power. Importing countries will gain from enhanced clean energy supply; lower riparian areas of Uttar Pradesh and Bihar will benefit from better flood management.

The proposed Sapta-Kosi and Sun-Kosi projects on the Kosi river are prime examples. For an estimated investment of $4-5 billion, these projects will generate hydropower, prevent frequent floods in India, provide irrigation and drinking water in both countries, enable in-land navigation channel with direct sea-port connectivity from Nepal to Kolkata, and generate large spinoffs in livelihoods in both countries. India should look at the Columbia River Treaty where the US (being the lower riparian partner) paid Canada for power benefits and up-front one half the value of the estimated, avoided future flood damages.

The second opportunity is a large LNG facility on the Bay of Bengal coast with participation by India, Bangladesh and possibly Nepal. India has been importing LNG since 2004, Bangladesh since 2018. India proposes to expand the share of natural gas in its primary energy profile from 6% to 15%. New LNG terminals at Haldia and Dhamra are being developed. A private gas spot market was launched this year. The coverage of its gas pipeline network is being extended with spurs reaching Bangladesh.

Bangladesh's domestic natural gas reserves meet 50% of its energy demand, but declining production and the absence of major discoveries indicate import as the likely option. This is evidenced by the bids it has invited for an onshore terminal. India is committed to exploring the potential for a natural gas pipeline to Nepal. A trilateral partnership between Bangladesh, India, and Nepal to develop shared pipelines, terminals, and gas storage facilities can enhance the economic viability of these investments and move the region towards a net-zero pathway.

Energy market development follows a pattern of organic growth, starting with intra-regional markets, culminating in international integration. Since gas usage is projected to double in all three countries, time is ripe for investments and collaborations.

By 2040, the demand for energy will double and treble for electricity. A net-zero pathway points to significantly enhancing the share of renewable electricity, the third opportunity. India has developed a competitive renewable energy market, in which electricity is traded at 3.5c/kWh. The ambition is to increase renewable capacity to 450 GW. Sri Lanka relies on imported fossil fuels and domestic hydropower. It plans to generate 100% electricity through renewables by 2050. This provides an investment opportunity to develop utility-scale wind and solar, including for the Indian private sector.

The missing transmission link between India and North West Sri Lanka can save Sri Lanka $180 million annually in generation cost. Sri Lankan wind power, abundant in the North West, can complement Indian solar power. For India, exporting renewable power to Sri Lanka can enhance flexibility in grid management and reduce the curtailment of 400 GWh surplus renewable power. Sri Lanka would also be able to link in its offshore wind projects along the axis of the proposed transmission link. Shared energy infrastructure can spark regional cooperation in South Asia and help enlarge areas of trust and trade. India must lead by facilitating financing, developing harmonised technical regulations, deepening professional networks, and enhancing regional business opportunities.

LETTERS TO THE EDITOR

Parliamentary breakdown

The Modi government's conduct of the proceedings of the Rajya Sabha left a lot to be desired; it reeked of strong-arm tactics, it represented the diminution of parliamentary democracy, it provided a benchmark against which its commitment to democracy or, more precisely, the lack of it can be measured. Rajya Sabha chairman Venkaiah Naidu and deputy chairman Harivansh Singh acted like agents of the treasury benches and took blatantly unfair decisions. Harivansh Singh helped the government rush the farm bills through the Rajya Sabha by voice vote. The sight of BJP members whispering in his ears said it all. Venkaiah Naidu suspended eight opposition members for 'unruly behaviour' and ruled that the notice given by the Opposition against the deputy chairman for violating parliamentary norms was inadmissible. The rule book is sacrosanct; it clearly stipulates that even if one member asks for 'division by physical voting' the Chair cannot refuse it. The Chair has no discretionary power over it. Still Harivansh Singh declared the bills to have been passed by voice vote amid the bedlam. The stance of the Akali Dal, BJD and TRS on the farm bills made the 'division by physical voting' all the more crucial and its outcome unpredictable. The manner of passing the Bills does our democracy no credit. The legal sanctity of the farm laws hurriedly passed to bolster up the *laissez faire* economy is now questioned, and for good reason. As for the newly-enacted farm laws, they will do away with APMC *mandis* and MSP regime, and corporatise and commercialise agriculture and benefit rapacious big agribusinesses seeking huge profit. What they hold in store for farmers is an aggravation of distress; they will impoverish and upend the lives of farmers despite assurances by PM Modi to the contrary.

— G David Milton, Maruthancode

●Write to us at feletters@expressindia.com

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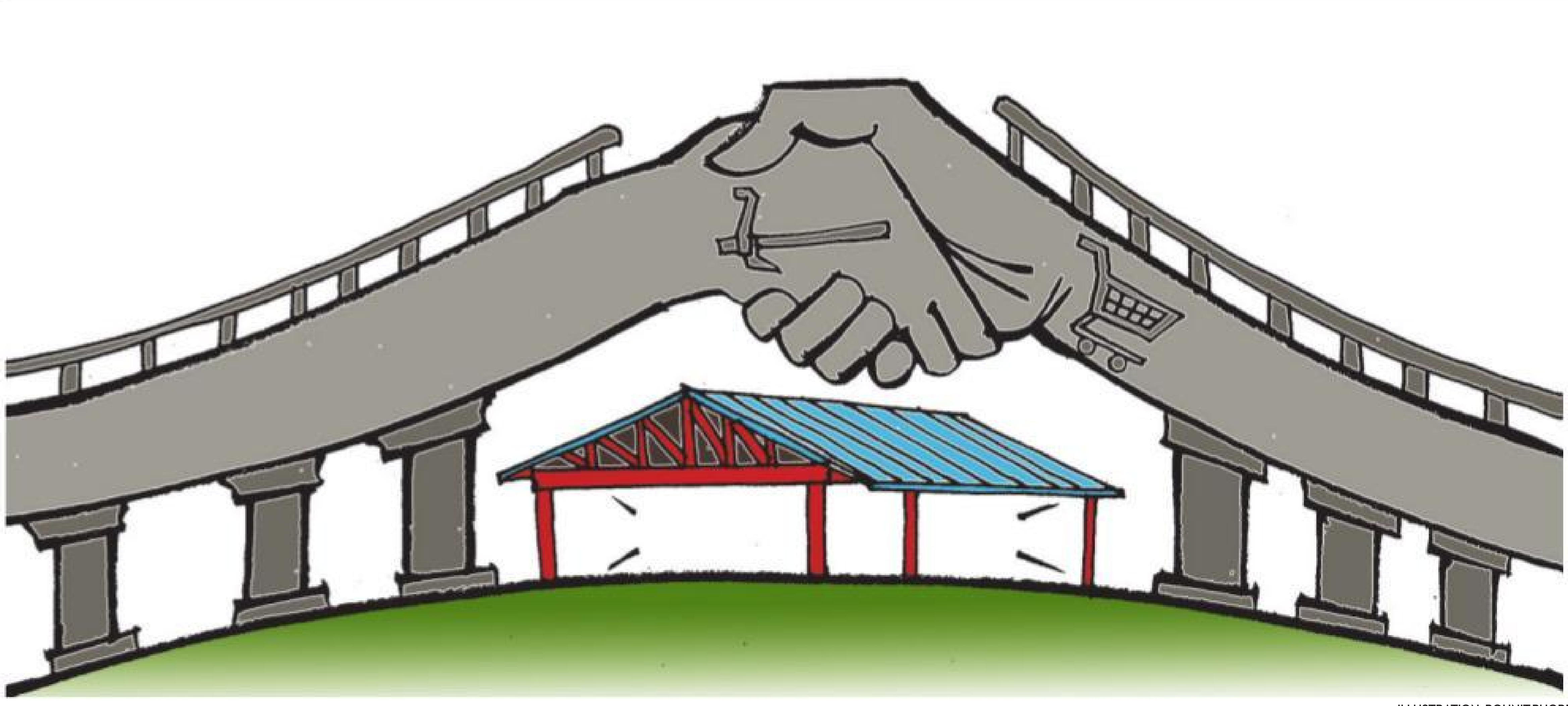


ILLUSTRATION: ROHNIT PHORE

MADAN SABNAVIS

The author is chief economist, CARE Ratings. Views are personal

The farm reforms must be celebrated

The three agri-reforms that have been brought about will be quite positive for the agri-economy, and assurance that the MSP-based procurement system won't be withdrawn. Of course, if the system works well for farmers, the government can think of scaling down the MSP/procurement system that has distorted the market

AS A RULE, individuals are not inclined to change, and hence any reform that disrupts the status quo equilibrium is treated with suspicion. This holds for the three ordinances passed in the agriculture domain that have caused a stir. Any move that questions existing entrenched systems questions the hegemony of those who wield power, and hence leads to opposition.

Let us examine the three issues that are on the discussion board. The first one relates to sale of produce outside the *mandi*. This ordinance defines the 'trade area' that is outside the *mandi*, and the 'trader' who could be the processor, the exporter or even the retailer. The new dispensation says that the farmer can sell to the 'trader' in these 'trade areas', which can be a place of production, collection or aggregation. The transaction need not go to the *mandi*, though the option still exists.

Hence, if an edible oils manufacturer wants to buy soybean from a farmer, the transaction need not go through the *mandi* and can transacted at the farmgate. Logically, this is an optimal solution because with information on prices being freely available today, the farmer can get the best price and eschew the *mandi*. These transactions will be free of any fee or cess that must be paid otherwise at the *mandi*. It is a Pareto optimal situation for the farmer and the trader where both can be better off. However, as this means skipping the *mandi*, which has vested interest built over the years, it is understandable that there is opposition.

At the limit, one can visualise a situation where most transactions take place outside the *mandi* and the market yards become less relevant, and the entire hierarchy of the *mandi* system, which includes commission agents, becomes unimportant. Now, intuitively, it can be argued that farmers will prefer the new 'trade area' to the *mandi* only if they see value in this option. The same holds for the trader who will purchase directly when there are cost advantages. Quite clearly, *mandis* will have to reinvent their systems to stay relevant. As there is a loss of fee which is collected that can range from 1-8% depending on the state and product, the fear of viability is genuine.

The way forward is to have open markets and allow free flow of goods across borders where there is transparency. In fact, the idea of eNAM has its genesis in this thought because, at the end of the day, the price discovery system must be transparent. This idea is taken several steps forward with trade being conducted in these new defined 'trade areas'. It should be remembered that farmers may still prefer to go through the *adathiyas* route because these agents often provide a variety of ancillary services, starting with crop advice, buyback, credit and logistics support, among others. This will probably intensify once a parallel system develops.

A corollary of freeing the market dynamics is having written agreements between the farmer and the company under contract farming. This is again a mutually-beneficial system where the corporate ties up with the farmer on pre-decided terms to grow crops of specific variety with support provided on credit and possibly the inputs too with the assurance of a guaranteed buyback. This is a win-win situation for both the sides. Corporates, who are into processing or manufacturing of end-products, would always look out for standardisation in quality of inputs. Farmers, too, can move to higher quality of crop rather than sticking to the median variety, which is the case today given the tradition that has been practised over the years.

The opposition to the reform measures can be largely political, which is understandable. But to argue that farmers are *naïve* and will be given a bad deal by large corporates is disingenuous

Therefore, this move by the government will be extremely beneficial for Indian agriculture and bring about a major transformation in the landscape and make farming more commercial.

The opposition to both these measures can be largely political, which is understandable. But, otherwise, to argue that farmers are *naïve* and will be given a bad deal by 'traders', meaning large corporates, is disingenuous. Indian farmers are quite sophisticated and do use all the information that is available when taking decisions. The current structures are traditional for sure, which have worked under prevailing conditions. But any new structure for sale or cultivation would be weighed appropriately before a decision is taken. Hence, the fear that the corporates will take over the entire community and make them subservient is not well-founded.

In fact, such measures will force the existing structures to change and ensure that farmers get a better deal. It is well known that farmers selling perishables like vegetables or fruits are forced to sell their products at lower prices in *mandis* as they cannot take their goods back to their village if a sale does not take place. This forces distress sale as commission agents buy at a lower price and deliver at a higher price at the retail end. This has been one reason why there is considerable disparity in wholesale and retail prices for almost all commodities—all of which cannot be explained by logistics costs.

The third reform has been the repeal of the Essential Commodities Act. This is progressive, as the Act which sought to penalise traders who held on to stocks beyond what was permitted did create problems for wholesalers and retailers. It must be realised that most crops are produced once a year and stored and made available throughout the year. The issue is that farmers must sell their crop immediately as they do not have the holding power. Intermediaries or traders who come into the picture store the crop and bear the costs of storage, interest on loans, possible deterioration in quality, transport, among others. There is, hence, intrinsic value that is being provided by these parties.

The Essential Commodities Act makes it a crime to go beyond the stock limits for all the defined commodities and is invoked whenever there is a shortage in supply of a product. Traders holding the stocks are now classified as hoarders and face penal action. The government has put in the safeguard of this Act being invoked only if retail prices rise by certain levels compared with the past period. This makes sense because if hoarding is seen to increasing prices, this Act can be brought in to check inflation as it has a bearing on overall CPI inflation and hence interest rate policy.

All these three reforms will be very positive for the agrarian economy, and with the assurance being given that the MSP will not be withdrawn, there is comfort being provided. But, logically, in course of time, if the system works well for farmers who are able to get better prices, the government can think of scaling down the procurement system and the MSP as the open-ended procurement scheme has distorted farm markets. *Adathiyas* will have to compete with corporates to retain their business and the overall system will only improve. Electronic trading will get a boost on the sidelines and the idea of free agricultural markets will see fructification over the next couple of years.

A tightrope walk on banks by ECB

FERDINANDO GIUGLIANO

Bloomberg

THE PANDEMIC HAS forced European governments to prop up their economies. They've rolled out furlough schemes, allowing millions of workers to keep their jobs, as well as 'moratoria' suspending loan repayments for families and businesses. Now they face a dilemma over when to terminate such programmes. Forcing companies to pay back debts too soon will put some promising ones out of business; postponing the inevitable for too long risks keeping zombie companies alive.

The puzzle over loan repayments speaks to a broader challenge facing financial regulators and supervisors. The European Central Bank has taken some steps this year to provide greater flexibility for lenders on prudential requirements, so that they can continue to support their customers. These measures—which include allowing banks to operate with less regulatory capital—will need to go eventually, but it is not yet clear when that will be. For now, the ECB needs to remain flexible, while resisting calls for a more permanent overhaul of its rules.

The steps taken to help the banking system include: granting banks permission to operate temporarily with less capital and liquidity, postponing the 2020 stress test and rescheduling inspections and remediation actions so banks could fully concentrate on handling the pandemic. In exchange, eurozone banks have been told not to pay dividends.

Some lenders have avoided making full use of the additional capital and liquidity flexibility, fearing the adverse reaction of investors and the sudden tightening of supervisory standards. But many have faced requests from their customers to make use of the moratoria. These debtors may or may not be able to service their debt when the payment holiday expires, making it very hard for now to assess the pandemic's impact on banks' health.

Still, the sharp slowdown in demand makes it reasonable to assume that there will be a rise in non-performing loans, which, in turn, will prompt questions over the strength of lenders' balance sheets.

The pandemic poses a set of new challenges for politicians and supervisors, but the eurozone has a useful set of rules it can rely on

So far, the ECB has taken a reasonable approach: It has made use of existing provisions allowing for lightening the supervisory burden on banks in exceptional circumstances. This stance provides sufficient flexibility going forward: If the economy recovers more slowly than expected, these exceptions could remain in place for some time. The same principle can apply to the moratoria, too.

A different question is whether politicians should change regulation permanently, especially with regard to the provisioning of bad loans. Just before the current crisis, the eurozone had adopted tougher standards that require banks to write down the value of their non-performing exposures depending on fairly strict time criteria. The ECB has no option but to apply them, since they are now part of the EU rulebook. And yet, parts of the European banking industry are already complaining that these measures risk undermining the recovery and threaten financial stability in the wake of the pandemic.

Watering down the existing rules appears a tempting strategy in the short run, since it would make balance sheets look healthier than they are. However, it would recreate the very problem that occurred after the financial crisis of 2008 and the ensuing European sovereign debt crisis, as banks used supervisory forbearance to avoid dealing with their mounting bad loans. When the day of reckoning eventually came, it took years to clean up the system, with adverse consequences for economic growth and dynamism.

Governments must show they have learned their lesson. Rather than hiding new problems, banks will have to seek fresh capital from the market if needed. There may be a case for selective instances of state aid—for example via recapitalisations or the creation of so-called 'bad banks' (asset management companies that deal with bad loans over time)—but these instruments must not be an excuse for keeping weak banks alive. Private investors must also be prepared to take a hit, rather than simply hoping to receive a taxpayer bailout.

The pandemic poses a set of new challenges for politicians and supervisors, but the eurozone has a useful set of rules it can rely on. Be flexible for as long as needed, but avoid turning back the clock.

NEW MUTUAL FUND RULES

New way to measure performance

Let funds be free to decide on portfolio. Sebi should require them to disclose data on risk and adjusted return instead

HEMANT MANUJ

The author is associate professor & area head, Finance at Bhavan's SPJIMR

A RECENT CIRCULAR issued by the Securities & Exchange Board of India (SEBI), dealing with the composition of multi-cap schemes, has invited a lot of interest from, and discussion amongst, market participants. This is an important subject for the mutual fund industry. The circulars issued on September 11, 2020, and subsequently clarified on September 13, 2020, advice the mutual funds to maintain, in their multi-cap schemes, a minimum investment of 75% of total assets in equity and equity-related instruments. It further asks the mutual funds to maintain a minimum of 25% each in large cap, mid cap and small cap companies. These circulars have been issued to achieve two objectives:

- **True to label schemes:** The portfolio should reflect the name of the scheme and the name of the scheme should correctly reflect the nature of the portfolio.
- **Comparison with an appropriate benchmark:** The scheme performance should be disclosed to the investors vis-à-vis an appropriate benchmark.

The objectives are, without doubt, well-intended. A mutual fund has a fiduciary contract with its unit-holders that it will manage their money by investing in a certain set of securities. So, it is important that the promise be stated and monitored in clear terms. SEBI is trying to ensure these principles through the aforementioned circulars.

However, the tools and the process employed by SEBI have scope for improvement. Let us understand how the current mode of classification of the schemes may not be the most appropriate.

Risk and return

A fundamental and universally-accepted concept in investment is that the return from any security is related to the risk in that security. Ironically, investors across the world are so often misinformed, and products are mis-sold, ignoring this fundamental tenet. Likewise, investors in a mutual fund are also communicated mostly on the likely returns, but not much about the risks on their investments.

Currently, equity mutual fund schemes are classified on the basis of the market capitalisation of their underlying stocks. This begs the question: Whether the names of the schemes on the lines of large, mid or small caps convey the risk fully?

There has been a lot of research over the decades to capture the relationship between risk and expected return from stocks. The three-factor model by Fama and French (1993) and the four-factor model by Carhart (1997) have demonstrated size, price-to-book ratio, and momentum, apart from beta, as the explanatory factors for expected return from a portfolio. Thus, the size of underlying stocks in a scheme is only one of the factors determining the risk in it.

If this is the case, what can we do to provide more meaningful information to investors?

Simple, meaningful disclosures

I suggest a simple approach. A mutual fund may be allowed to choose its portfolio allocation in the scheme without any restrictions on size. It should, however, disclose the following, regarding the scheme:

(a) The total risk, rather than proxy measures like large cap, mid cap or small cap. SEBI may choose to mandate an appropriate risk measure like the annualised standard deviation for the portfolio.

(b) The expected risk-adjusted return. This may be a ratio like the Sharpe ratio.

A mutual fund may invest in any stock from large, mid or small cap category, up to 100% of its portfolio. Similarly, it may invest in growth or value stocks to any extent. The mutual fund would be required to disclose upfront the risk and the risk-adjusted return for its planned portfolio. For this, it would run simulations of its potential portfolio with multiple combinations of risk factors, thereby computing the standard deviation and the expected Sharpe ratio. One year later, the mutual fund would again be disclosing the actual values of standard deviation and the Sharpe ratio achieved in the scheme. These figures should be compared with the figures disclosed *ex ante*.

The benefits of adopting the above approach are as follows:

(a) Investors will receive a simpler and better estimate of the true risk, rather than only one dimension of the same.

(b) The performance of all the schemes can be better measured because it would have announced, in advance, the specific levels of risk and risk-adjusted return targeted by it.

(c) The mutual funds will be incentivised, upfront, to disclose the risk closer to what they really believe to be true. As a result, the chances of mis-selling of products will be minimised.

(d) The monitoring of various individual dimensions of risk like size of stocks, sectors, etc, can be done away with. This will reduce the cost of compliance for the mutual fund and monitoring by the regulator and investors.

The way forward

Currently, the mutual funds do publish their portfolios and returns, therefrom, monthly. They may now be also asked to publish the standard deviation and the Sharpe ratio, historical (actual) and forward-looking (expected), monthly. The historical figures are, in fact, already being computed and published by various investment advisors.

In summary, SEBI need not prescribe any threshold of securities in which the mutual funds may invest. It has a larger role to play in minimising information symmetry through adequate and meaningful disclosures. At the same time, it should establish a framework that provides the right set of incentives for the mutual funds as well as investors to make informed decisions. The purpose here is to lead a debate on making disclosures by the mutual funds more meaningful and transparent.

International

TUESDAY, SEPTEMBER 22, 2020

ECB STILL HAS OPTIONS

Christine Lagarde, ECB President

We clearly showed that when the economic situation demanded, we were capable of finding the necessary responses. And we will continue to use the monetary policy instruments... Has the ECB fired its last cartridges? No, not at all, not at all. We can find answers to help economies.

Quick View

Musk gets shot to deliver on hints

TESLA WILL PROVIDE a highly anticipated technology update on Tuesday when Elon Musk takes centre stage at an event he has dropped hints about for months, and which has helped propel the company's sky-high valuation. The "Battery Day" presentation, which follows the annual shareholders meeting, is expected to showcase innovations designed to keep the company's lead in electric cars as rivals flood the market.

China to lose access to space tracking station

CHINA WILL LOSE access to a strategic space tracking station in Western Australia when its contract expires, the facility's owners said, a decision that cuts into Beijing's expanding space exploration and navigational capabilities in the Pacific region. The Swedish Space Corporation has had a contract allowing Beijing access to the satellite antenna at the ground station since at least 2011.

Blackstone nears $2.3 bn Precision Medicine deal

BLACKSTONE GROUP, ONE of the world's largest investment firms, is nearing a deal to buy Precision Medicine Group for about $2.3 billion, according to people familiar with the matter. The firm is set to buy a majority stake in the group from existing backers Berkshire Partners and TPG. No deal has been finalised and Blackstone may choose not to go ahead with the transaction.

ANOTHER HURDLE

No deal if ByteDance keeps control of TikTok: Trump

TikTok Global will likely be headquartered in Texas and will hire25,000 people, says US president

JOSH WINGROVE & JENNIFER JACOBS
September 21

US PRESIDENT DONALD Trump said he would rescind his tentative blessing for a deal between Oracle and ByteDance to create a new US-based TikTok service if the Chinese company retains control of the operation.

Speaking in an interview on Fox News on Monday, Trump also he indicated that he expected Chinese influence to be diluted by a future public offering of the new company.

"They will have nothing to do with it, and if they do, we just won't make the deal," Trump said, referring to ByteDance, which owns TikTok.

"It's going to be controlled, totally controlled by Oracle, and I guess they're going public and they're buying out the rest of it -they're buying out a lot, and if we find that they don't have total control then we're not going to approve the deal."

ByteDance was pressured into a deal for TikTok in August, when Trump threatened to ban the app in the US over national security concerns about the service's data gathering. After Microsoft made a proposal for a full buyout, ByteDance instead turned to Oracle's offering, in which the Chinese parent will maintain a solid majority stake. ByteDance may end up owning as much as 80% of TikTok Global, which would include the app's operations in the US and the rest of the world excluding China.

On Friday, Trump said that he had approved of the deal with Oracle and Wal-Mart "in concept."

Under the current proposal, there will be five seats on the board of TikTok Global. Walmart Chief Executive Officer Doug McMillon will become a director, the retailer said in a statement. TikTok Global will likely be headquartered in Texas and will hire "at least" 25,000 people, Trump said.

The valuation for TikTok has been a looming question in the wake of Washington and Beijing clashing over the negotiations. The service for the US market alone has been estimated to be worth $20 billion to $50 billion, or even more.

TikTok Global intends to hold an initial public offering within 12 months, Oracle and Walmart said.

Oracle will get full access to review TikTok's source code and updates to make sure there are no back doors used by the company's Chinese parent to gather data or to spy on the video-sharing app's 100 million American users, according to people familiar with the matter.

'WeChat will struggle to drw new US users'

TENCENT HOLDINGS HAS said its messaging app WeChat may not be able to win new users in the United States. Tencent, in a statement filed at Hong Kong's stock exchange late on Sunday, said it has been evaluating the potential impact of a ban since the US Department of Commerce on Friday issued an order to block WeChat downloads on national security grounds. It also said routine updates of the app for existing US users may be negatively affected should Apple and Alphabet's Google remove WeChat from their stores.

— REUTERS

ByteDance, Oracle at loggerheads on terms

REUTERS
NEW YORK/BEIJING, September 21

BYTEDANCE AND ORACLE issued conflicting statements on Monday over the terms of a deal they agreed with the White House over the weekend.

ByteDance said on Monday that it will own 80% of TikTok Global, a newly created US company that will own most of the app's operations worldwide. ByteDance added that TikTok Global will become its subsidiary.

Oracle and Walmart, which have agreed to take stakes in TikTok Global of 12.5% and 7.5% respectively, had said on Saturday that majority ownership of TikTok would be in American hands. On Monday, Oracle said ByteDance will have no ownership in TikTok Global.

Trump signed an executive order on August 14 giving ByteDance 90 days to relinquish ownership of TikTok. Oracle's account of the deal would mean that ByteDance would be complying with that order, while ByteDance's account would represent a policy reversal for Trump.

Some sources close to the deal have sought to reconcile the discrepancies by pointing out that 41% of ByteDance is owned by US investors, so by counting this indirect ownership TikTok Global would be majority owned by US parties.

ByteDance on Monday also confirmed plans for an initial public offering of TikTok Global. The Beijing-based firm said TikTok Global's board of directors will include ByteDance founder Zhang Yiming as well as Walmart's chief executive Doug McMillon and current directors of ByteDance. The company declined to further comment on who else would be among the directors.

Oracle and Walmart said in a joint statement on Saturday that four out of the five board of directors will be Americans.

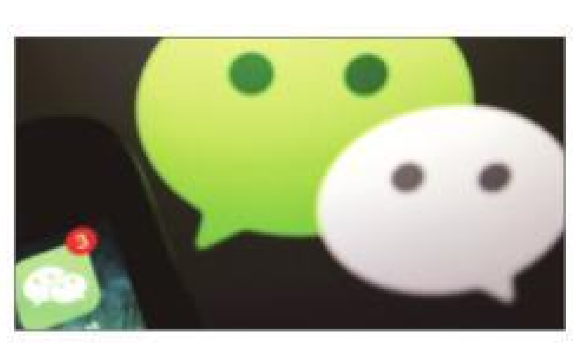
The current plan for TikTok Global does not involve any transfer of algorithms or technologies, and Oracle will be able to inspect TikTok US's source code, ByteDance said. This is akin to US companies such as Microsoft sharing their source code with Chinese technology experts, ByteDance added. Oracle and Walmart have said all of TikTok's technology will be in possession of TikTok Global.

ByteDance owning the majority of TikTok Global and the algorithms means that ByteDance is "not out of the game" and has avoided the worst-case scenario, China's state-run newspaper Global Times said in an editorial published on Sunday.

Shen Yi, a Fudan University professor, said in a separate article published in the Global Times on Monday that Trump's nod to the deal "could even been seen as a reversal of US President Donald Trump's executive order issued in August" and that it was helped by a "concerted effort" by the Chinese government, ByteDance and U.S. domestic forces.

US to challenge judge's order blocking WeChat app store ban

REUTERS
WASHINGTON, September 21



THE US COMMERCE Department said on Monday it will challenge an order issued on Sunday by a judge that blocked the department's order requiring Apple and Google to remove WeChat from their US app stores.

US Magistrate Judge Laurel Beeler in San Francisco issued a preliminary injunction that blocked the department's order, which would also have barred other US transactions with Tencent Holding's WeChat, potentially making the app unusable in the United States.

"Prohibiting the identified transactions is necessary to protect the national security of the United States, and the department expects to soon seek relief from this order," the Commerce Department said.

The Justice Department had urged Beeler not to block the action, saying it would "frustrate and displace the president's determination of how best to address threats to national security

Beeler said WeChat users who filed a lawsuit "have shown serious questions going to the merits of the First Amendment claim."

On Friday, the Commerce Department had issued an order citing national security grounds to block the app from US app stores by 11:59 p.m. EDT Sunday.

The Justice Department had urged Beeler not to block the action, saying it would "frustrate and displace the president's determination of how best to address threats to national security."

Tencent declined to comment on Beeler's order.

WeChat has had an average of 19 million daily active users in the United States, analytics firms Apptopia said in early August. It is popular among Chinese students, Americans living in China and some Americans who have personal or business relationships in China.

Beeler wrote "certainly the government's overarching national-security interest is significant. But on this record — while the government has established that China's activities raise significant national security concerns — it has put in scant little evidence that its effective ban of WeChat for all US users addresses those concerns."

WeChat is an all-in-one mobile app that combines services similar to Facebook, WhatsApp, Instagram and Venmo. The app is an essential part of daily life for many in China and boasts more than one billion users.

MAPPING THE VIRUS

Cases top
30.8 million

Deaths approach
958,400

Recoveries
17,094,868

- Johnson Plans Crisis Talks as U.K. Braces for Covid Surge
- Virtual UN is latest blow to New York City's battered economy
- Fewer people are dying of Covid as doctors gain practice, drugs improve
- Gottlieb warns of 'at least' one more surge in 2020
- German health minister says European trend 'worrying'
- China finds virus in Russian frozen squid packaging

Former FDA Commissioner Scott Gottlieb said he expects the U.S. to experience "at least one more cycle" of the virus in the fall and winter. He cited rising cases in the South and Midwest, despite slowdowns in New York, Miami and Houston.

The UK government's Chief Scientific Adviser Patrick Vallance said the rate of infections could reach around 50,000 by mid-October without curbs. England recorded 3,105 new cases on Sept 15. Vallance said the warning "is not a prediction but it is a way of thinking about how quickly this can change."

Germany's health system can comfortably cope with the current number of coronavirus infections, but the recent increase in daily cases there and in other European nations is "worrying," according to Health Minister Jens Spahn.

Jakarta's health system is "already overwhelmed," said Jossep William, coordinator of volunteer department at the task force for handling the pandemic, adding that ambulances

haven't stopped running for days to transport patients.

South Korea will strengthen social distancing rules from September 28 to October 11, which will be designated as special quarantine period as the country celebrates Chuseok holidays from September 30 to October 4.

France's daily coronavirus cases rose by 10,569 on Sunday, after surging to more than 13,000 twice in the highest daily increases since the national lockdown ended in May on Saturday.

Covid-19 deaths near 1 m globally

NEW YORK TIMES
September 21

IT IS A STAGGERING toll, almost 200,000 people dead from the coronavirus in the United States, and close to one million people around the world.

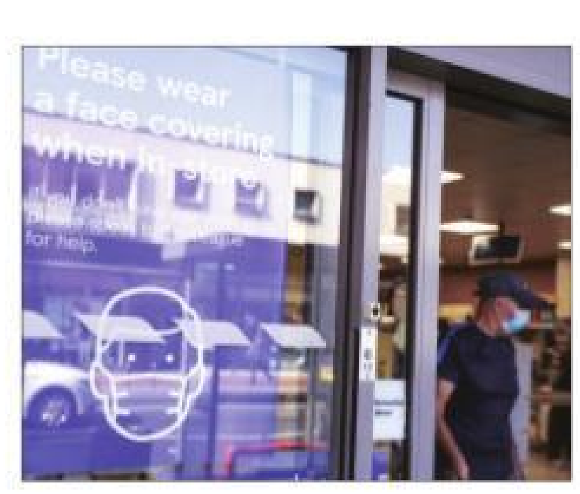
And the pandemic, which sent cases spiking skyward in many countries and then trending downward after lockdowns, has reached a precarious point. Will countries like the United States see the virus continue to slow? Or is a new surge on the way?

"What will happen, nobody knows," said Catherine Troisi, an infectious disease epidemiologist at The University of Texas Health Science Center at Houston. "This virus has surprised us on many fronts, and we may be surprised again."

In the United States, fewer new coronavirus cases have been detected week by week since late July, after outbreaks first in the Northeast and then in the South and the West.

But in recent days, the nation's daily count of new cases is climbing again, fuelling worries of a resurgence of the virus as universities and schools reopen and as colder weather pushes people indoors.

Around the world, at least 73 countries are seeing surges in newly detected cases.



A customer leaves a store in London on Monday. PHOTO: BLOOMBERG

In India, more than 90,000 new cases are now being detected daily, sending the country's total cases soaring past five million. In Europe, after lockdowns helped smother the crisis in the spring, the virus once again is burning its way across the continent.

Israel, with nearly 1,200 deaths attributed to the virus, imposed a second lockdown last week, one of the few nations to do so.

When the first wave of infections spread around the world, governments imposed sweeping restrictions: More than four billion people were under some sort of stay-at-home order at one point. Now, many countries are desperately trying to avoid such intense measures.

"We have a very serious situation unfolding before us," Hans Kluge, the World Health Organization's regional director for Europe, said last week. "Weekly cases have now exceeded those reported when the pandemic first peaked in Europe in March."

Deaths in the United States from the coronavirus neared 200,000 as of Monday morning. It was only four months ago, in late May, that the nation's death roll reached 100,000. Even the current tally may be a significant undercount of the toll, analyses suggest.

Dr. Tom Inglesby, the director of the Center for Health Security at the Johns Hopkins Bloomberg School of Public Health, said it was conceivable that the death toll in the United States could reach 300,000 if the public lets down its guard.

"There are many countries we might consider our economic peers, or that are far less developed in terms of economy or health care systems, that are having far less mortality," he said.

Illumina nears deal to buy Grail at $8 bn

BLOOMBERG
September 21

GENETIC SEQUENCING GIANT Illumina agreed to acquire Grail in a deal valuing the cancer-detection startup at $8 billion.

Grail shareholders will receive $3.5 billion in cash and $4.5 billion in Illumina common stock, the companies said on Monday. Illumina already holds 14.5% of Grail's outstanding shares, and approximately 12% on a fully diluted basis.

Illumina, a giant in the DNA sequencing space, serves as the backbone for consumer genetics tests and is becoming an integral part of pharmaceutical research efforts. Grail, founded by Illumina and spun out as a standalone company, is developing a blood test to detect cancers early.

Illumina is also the sole supplier of the sequencers Grail uses for genomic tests. Joining them back together would bring testing and sequencing under one roof.

Grail has a list of high-profile tech and health-care backers, including Bill Gates, Jeff Bezos, Merck, and Johnson & Johnson.

Microsoft to buy Bethesda for $7.5 bn

BLOOMBERG
September 21

MICROSOFT SAID ON Monday it plans to acquire ZeniMax Media, owner of the storied video-game publisher Bethesda Softworks, for $7.5 billion in cash, marking its biggest video game purchase ever.

Bethesda is the publisher of games like The Elder Scrolls, Doom and Fallout and also has at least two titles slated for debut next year. ZeniMax, based in Rockville, Maryland, also owns several other studios across the globe, giving Microsoft's Xbox business a much-needed infusion of titles and game developers. It's one of the biggest privately-held game companies with 2,300 employees worldwide, Microsoft said.

Airbus unveils hydrogen designs with aim for zero-emission flight by 2035

CHARLOTTE RYAN
September 21

EUROPEAN PLANEMAKER AIRBUS SE unveiled three designs it's studying to build hydrogen-powered aircraft as it races to bring a zero-carbon passenger plane into service by 2035.

The approaches include a turbofan jet with capacity for as many as 200 passengers — similar to its A321neo narrow-body — that can fly more than 2,000 nautical miles, according to a statement on Monday. It would be powered by a modified gas-turbine engine running on hydrogen.

The manufacturer also showed a design for a propeller plane which would seat about 100 passengers for smaller distances, and a flying-wing concept with 200 seats.

Hydrogen is becoming an increasing area of focus for Airbus as it evaluates technologies for emission-free flight. The company is under pressure from the French and German governments, its biggest shareholders, to speed the commercialisation of emission-free technology after aiding the planemaker during the coronavirus crisis. Both countries have committed billions to support hydrogen development.

While there are different approaches, hydrogen is likely to be used in aerospace and other industries to meet climate-neutral targets, Airbus said. The company has already said it's targeting the mid-2030s for the first zero-emission passenger jet. Developing a hydrogen aircraft on that timeline will be a real challenge because of the massive amounts of infrastructure and government investment required.

"I strongly believe that the use of hydrogen — both in synthetic fuels and as a primary power source for commercial aircraft — has the potential to significantly reduce aviation's climate impact," Chief Executive Officer Guillaume Faury said in the statement.

Jack Ma's Ant to lift IPO funding target to $35 bn

LULU YILUN CHEN
September 21

JACK MA'S ANT Group is seeking to raise at least $35 billion in its initial public offering after assessing early investor interest, people familiar with the matter said, putting the Chinese fintech giant on track for a record debut sale.

Ant's simultaneous listing in Hong Kong and Shanghai may mark the biggest IPO ever

Ant lifted its IPO target based on an increased valuation of about $250 billion, up from previous estimates of $225 billion, said the people, who asked not to be identified discussing private matters. It was earlier expecting to raise at least $30 billion, people familiar have said.

Ant's simultaneous listing in Hong Kong and Shanghai may mark the biggest IPO ever, topping Saudi Aramco's record $29 billion sale. Ant could exceed Bank of America's market capitalisation, and be more than twice the size of Citigroup. Among US banks, only JPMorgan Chase is bigger at $300 billion.

Ant received a nod from regulators in Shanghai on Friday to proceed with its public share sale. In the wake of its IPO plans, the company's been hit by a flurry of new regulations aimed at reducing risks in China's online finance sector.

Regulators have curbed small-loan funding sources, capped lending rates, and imposed new capital and license requirements on Ant and other conglomerates.

Personal Finance

TUESDAY, SEPTEMBER 22, 2020

ON STOCK MARKETS
Vinod Nair, head, Research, Geojit Financial Services

"With high valuations and worries that earnings may not justify such valuations anytime soon, markets may trade uncertain for the time being. Stay cautious."

● HEALTH INSURANCE

Mediclaim policies set to be less opaque now

With all indemnity-based health plans to have standardised wordings for exlusions & waiting periods, customers will now be able to compare & comprehend policies better

SAIKAT NEOGI

FROM OCTOBER 1, all new indemnity-based health insurance policies will have standardised clauses. For existing policies, the same will come into effect from April 1, 2021 at the time of renewal of the respective policy. The insurance regulator's circular underlines that the objective is to simplify the wordings of general terms and clauses of the policy contracts and ensure uniformity across the industry.

The premium can be paid in instalments —half yearly, quarterly or monthly. Insurers cannot deny renewal of a policy on the ground that the insured person had made a claim or claims in the preceding policy years. The insurer will inform the policyholder about renewal and collect the premium before the end of the policy period.

New guidelines

If the policyholder misrepresents or does not disclose any material fact, then the policy will be void and all premium paid will be forfeited to the company. After completion of eight continuous years, health insurance claims will not be contestable except for proven fraud and permanent exclusions specified in the policy contract. However, the policies would be subject to all limits, sub limits, co-payments, deductibles as per the policy contract.

Prasun Sikdar, MD & CEO, ManipalCigna Health Insurance Company, says the measures taken by the regulator are in the interest of the policyholders. "The standardisation of exclusions will help customers to understand and compare policies, leading to an informed decision. Also, instalment of premiums will ease the mode of payments for customers, the crystal clear exclusions will ensure there is less ambiguity with respect to policy wording," he says.

Similarly, Krishnan Ramachandran, MD and CEO, Max Bupa Health Insurance, says the implementation of the new guidelines from October will have a positive impact as the standardisation of wordings in the terms and conditions, waiting periods and exclusions will make it easy to understand and compare health insurance policies. "As each policy will have the same wordings for exclusions, and general terms and conditions, it will remove the ambiguity across products and bring more transparency. The inclusion of the moratorium clause in which health policy of more than eight years will not be contestable except in case of any fraudulent claim, would make consumers stay invested for long and take the optimum benefits of the health policy," he says.

ILLUSTRATION: SHYAM KUMAR PRASAD

Claim settlement

The insurer will have to settle or reject a claim within 30 days from the date of receipt of last necessary document. In case of delay in payment of a claim, the insurer will be liable to pay interest to the policyholder from the date of receipt of the last necessary document to the date of payment of claim at a rate 2% above the bank rate. If the claim warrants an investigation, then the company will initiate and complete it within 30 days from the date of receipt of the last necessary document. If one has multiple policies, then the insurer chosen by him will have to settle the claim as within the terms of the chosen policy. If the amount to be claimed exceeds the sum insured under a single policy, then the policyholder can claim the balance amount from the other insurer.

Uniformity in exclusion

The guidelines bring more uniformity in the list of excluded diseases as health conditions such as age-related macular degeneration, mental illnesses, enteral feedings, internal congenital, genetic diseases will now be covered. "The modern way of treatment will be covered across all health insurance plans which will eventually help consumers to access quality and effective methods of treatment. The health policies that cover consultations through physical visits will need to include consultations over telemedicine as well. Telemedicine has become more prominent in the current times and policies with OPD will be more beneficial," says Ramachandran.

Proportionate deductions

The regulator has mandated that insurers cannot recover any expenses such as pharmacy and consumables, implants and medical devices and diagnostics towards proportionate deductions other than the defined 'associate medical expenses' while processing claims. Proportionate deduction takes place when a policyholder opts for a room where the tariff is more than the tariff capped by the insurer.

The regulator has directed insurers to ensure that proportionate deductions are not applied in hospitals which do not follow differential billing or for those expenses in which differential billing is not adopted based on the room category. Insurers are not permitted to apply proportionate deduction for ICU charges as the regulator has underlined that different categories of ICU are not there.

● YOUR MONEY

HEMANTH GORUR

A few technical indicators that can help identify market trends

STOCK MARKETS ARE known to be brutal to investors who invest unscientifically or based on hearsay. While no one can predict stock price movements with certainty, it helps to take an educated guess or informed decision before investing.

Technical analysis of stock prices enables investors to do just that. Trend analysis of stock price movements using some useful technical indicators can help gauge the overall direction in which prices are moving, and how they may behave in future.

Let us look at some simple but powerful technical indicators.

Simple Moving Average (SMA)

A single price point contains almost no information useful for investing. On the other hand, when you take a series of consecutive price points and take their average, you get a composite data point. This is called a Simple Average. For example, the average of a stock's price points on ten consecutive trading days is a 10-day Simple Average of the stock price.

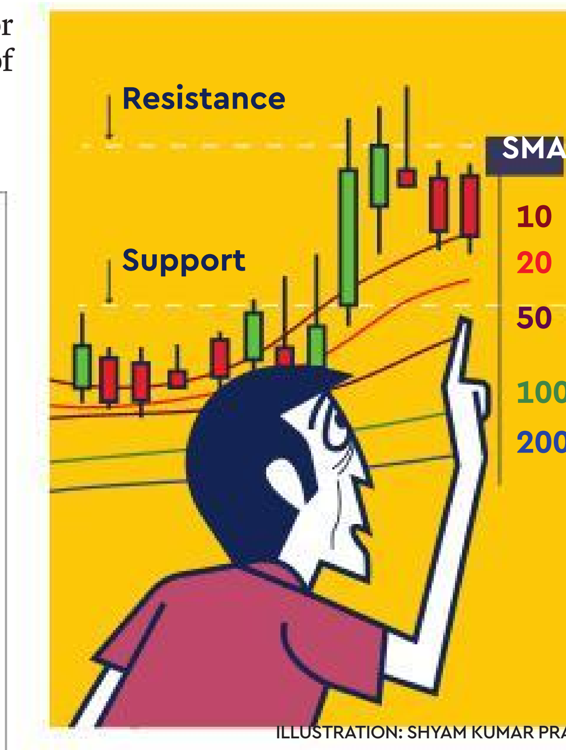


ILLUSTRATION: SHYAM KUMAR PRASAD

When you successively determine the Simple Averages by including the most recent price point and excluding the oldest price point, you get a Moving Average (MA). For example, you can calculate the 10-day Simple Average of stock prices on Day 1 to Day 10, followed by the 10-day Simple Average of Day 2 to Day 11, and so on. This gives you a series of 10-day Simple Averages, which when joined together, gives you a 10-day Simple Moving Average (SMA) trend line of the stock price. As daily stock prices are usually volatile, SMAs help to smoothen the curve and determine the overall trend or direction of the stock price movement.

Exponential Moving Average (EMA)

The Exponential Moving Average (EMA) is similar to the SMA but allocates weightages to each price point, with more recent price points getting higher weightage, unlike the SMA which allocates equal weightage to all price points.

The formula for EMA is: EMA = Current stock price x Multiplier + EMA of previous day x (1 – Multiplier).

The Multiplier can be calculated as: Multiplier = 2 / (Number of price points + 1)

The Moving Average indicators are lagging indicators and should be used only to confirm a trend or trend reversal

EMA will be more sensitive to recent price movements than earlier ones. Due to this, an EMA will "hug" the price movements more closely than an SMA. Some of the popular MAs are the 10-day, 12-day, 20-day, and 26-day MAs for short term trends, and the 50-day, 100-day, and 200-day MAs for long term trends.

Support Levels, Resistance Levels

Both SMA and EMA can be used as "support" or "resistance" trend lines. When the stock price is on an uptrend, it tends to "bounce" off certain price levels that coincide with an MA trend line. That is, the price refuses to drop below the MA. This is called a Support Level. This can be an interim entry point for buying into the stock, assuming the uptrend will sustain over your investment horizon. However, if price movements start breaking through the Support Level, it can indicate a trend reversal and investors can consider exiting the market.

Similarly, during a downtrend, as the stock price moves towards the MA trend line, it can bounce down after "hitting" the MA trend line. This can be the exit point for investors planning to sell some of their stock to take advantage of a temporary high in the stock price during a downtrend. However, if price movements start breaching the Resistance Level, this can indicate a trend reversal and investors can look to enter the market.

The MA indicators are lagging indicators and should be used only to confirm a trend or trend reversal. However, entry or exit point for the investor into or from the market usually precedes a trend confirmation or reversal as indicated by an MA.

The writer is founder, Hermoneytalks.com

● YOUR QUERIES

Chaitali Dutta

Do not take home loan just to save income tax

● **My father wants to construct a house on land registered in his name only. Can I apply for a home loan and to claim income tax exemption?**

—M Kiran Kumar

A home loan is not possible if you are not an owner or co-owner. Taking a home loan just to get income tax benefit may not be a good idea. Yes, if you do not have the funds, then you need the loan. The income tax benefit helps in reducing cost of the funding and part of the interest burden is knocked off by the tax saving. Do the math before taking on a liability.

LOANS

● **I took a ₹23 lakh home loan from Indiabulls Housing Finance in 2018. After three months, interest rate was raised by 2%. Now when most banks are reducing interest rates, Indiabulls is charging same amount. I also applied for PMAY but it has not updated on this. What should I do?**

—Sudha Singh

Explore other loan providers and move to a lower interest rate which is linked to repo rate. That will be a transparent way to reflect the current rate of interest. You may then apply for PMAY when your new loan is sanctioned.

● **I have doubts about the way home loan interest is calculated. I took a loan of ₹30 lakh from HDFC and have paid for 14 years. Starting rate was 8.5% which went up to 13% and has now come down to 8.7%. In between, I paid four times extra money to bring the interest down and have made a part payment of ₹8 lakh. Should I file an RTI to seek how the EMI is charged?**

—Ashok Kumar

You can ask for the full statement from HDFC. I doubt there will be intentional overcharging of interest as calculations are system-based and not applied physically. If you have the record of all the payments made as well as the interest rate change history, then the calculations can be recreated to see if the current balance matches. In a typical home loan of 20 years, amount you repay is double the amount of loan, as a ballpark.

● **Indiabulls has stopped disbursements. How can I do balance transfer for my construction-linked loan?**

—Akash Shetty

This will be like any other balance transfer process. Approach the new bank/FI with loan details and income proof. Get the new loan sanctioned. Once all paperwork is in place, the first disbursal will be to Indiabulls to close its loan.

The writer is founder, AZUKE Personal Finance Advisory (www.azukefinance.com). Send your queries to fepersonalfinance@expressindia.com

Investor

● DR REDDY'S LABORATORIES RATING: **BUY**

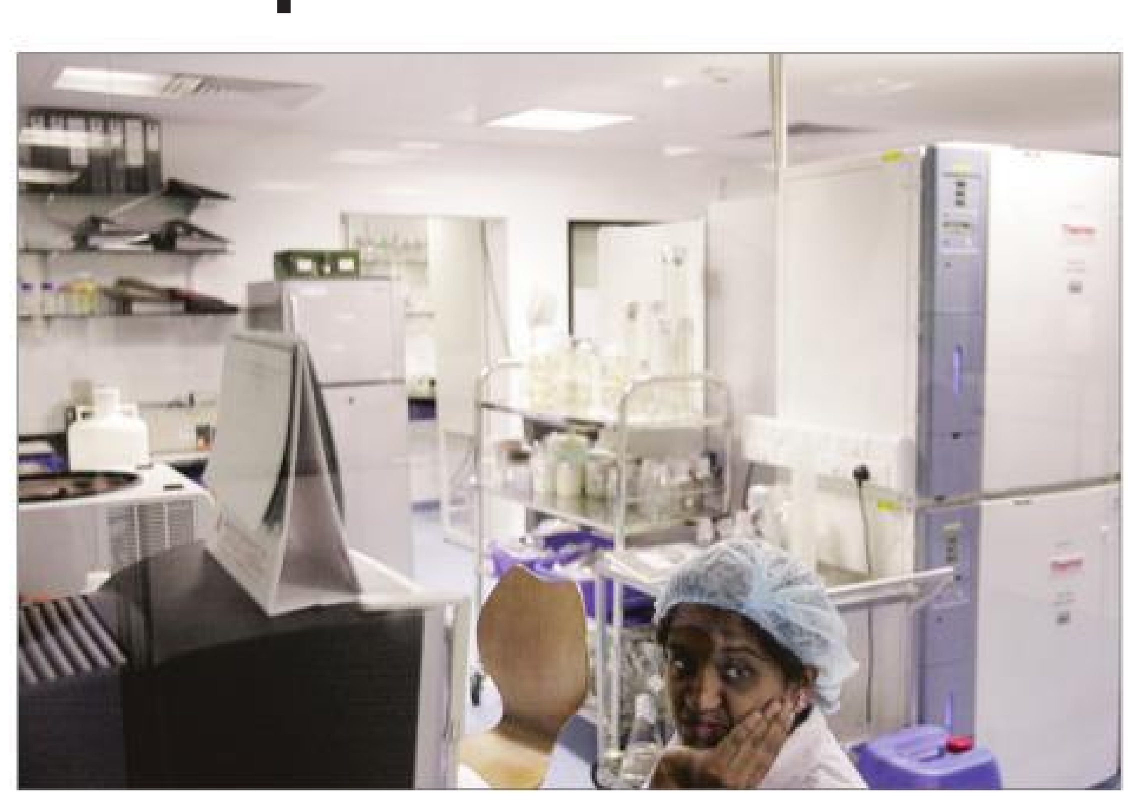
Patent deal dispels launch uncertainties

Despite initial volume curbs, Revlimid to be a meaningful opportunity; FY21-23e EPS up 1-3%; TP raised to ₹5,400

DRRD ANNOUNCED SETTLEMENT of its patent litigation with Celgene, a wholly owned subsidiary of Bristol Myers Squibb for Revlimid (lenalidomide) capsules. Revlimid recorded US sales of ~$7.4 bn in 2019 and is indicated for treatment of multiple myeloma (MM), myelodysplastic syndromes (MDS) and mantel cell lymphoma. This settlement allows DRRD to start selling volume-limited quantities of gRevlimid in the US starting on a confidential date after the March 2022 date previously granted to Natco.

While the agreed-upon quantities were not disclosed, we believe the volume limit could be in the single digits, followed by a gradual increase till restrictions are lifted, similar to Celgene's earlier deals with Natco and Alvogen. DRRD is also licensed to sell gRevlimid without volume limitations starting on 31 January 2026.

Settlement not the ideal outcome though it removes uncertainties: The ideal outcome for DRRD in patent litigation would have been if it had succeeded in proving its proposed generic does not infringe upon the polymorph patent covering Revlimid for MM. That could have potentially allowed it to launch its generic without any restrictions in 2022/23. Nonetheless, the patent settlement has paved the way for DRRD's generic launch well ahead of the expiry of the polymorph patent in 2027.



Financials and ratios (₹)

Year to Mar	2020a	2021e	2022e	2023e
HSBC EPS	122.85	146.70	189.55	227.04
HSBC EPS (prev)	122.85	144.95	185.19	220.12
Change (%)	0.0	1.2	2.4	3.1
Consensus EPS	123.28	157.58	187.96	215.09
PE (x)	37.7	31.5	24.4	20.4
Dividend yield (%)	0.4	0.5	0.5	0.5
EV/Ebitda (x)	28.6	21.9	17.9	14.8
ROE (%)	13.8	14.7	16.7	17.2

Source: Company data, HSBC

Natco (partnered with Teva) was the first company to settle patent litigation on Revlimid in Dec 2015 which allows it to start selling the generic in March 2022 in limited volumes. This was after Natco, Alvogen and Lotus Pharma settled their litigation.

We build in NPV of ₹250/share for gRevlimid: Apart from Natco, Alvogen/Lotus and DRRD, there are eight other known ANDA filers on Revlimid. Patent litigation for these filers is in the early stages, and thus we expect generic competition to remain limited to three players for gRevlimid till the 2025/26 timeframe. Thus, we believe gRevlimid will be a meaningful and sustainable opportunity for DRRD despite initial restrictions on sales volume. We build in an NPV of ₹250/share for gRevlimid in the base case scenario in our valuations (bull case NPV: ₹500/share, bear case NPV: ₹100/share).

Retain Buy: We increase our FY21-23 EPS estimates by 1-3% to account for gVascepa opportunity which DRRD can potentially launch in the US in the near term after a recent favourable ruling. We roll forward our valuations to Sep 2022 from June 2022. Our revised TP of ₹5,400 (from ₹4,625) includes NPV of ₹250/share for gRevlimid (earlier none).

HSBC

● FINOLEX CABLES RATING: **BUY**

Company priming for next phase of growth

B/S is strong; the focus on margin-accretive electrical cables a positive; valuation's inexpensive; 'Buy' retained

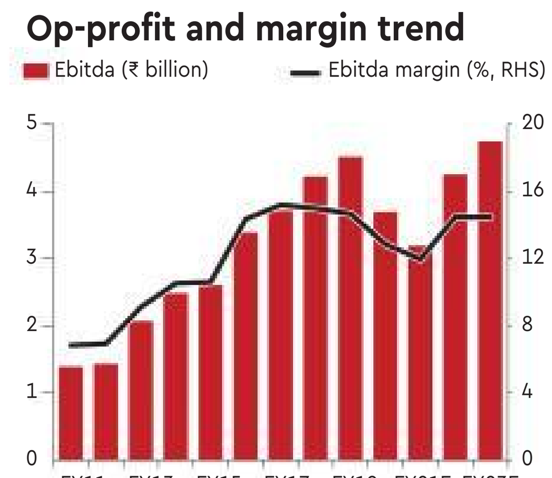
FNXC'S POSTED +17% y-o-y PAT despite March disruption in FY20. Its Annual Report delves deeper into FNXC's focus points for driving the next leg of growth —distribution, new launches and capex. FNXC retains a robust B/S (net D/E at -0.3x) and good return ratios (16% RoE, 19% RoCE). Interim spike in March capital was due to lockdown and is likely to revert to normal in FY21e. We like FNXC's focus on margin-accretive Electrical cables and inexpensive valuation. **BUY**

Volumes: Despite demand slowdown, falling RM (commodity prices) and Q4 COVID disruption, FNXC posted EPS growth at +17% y-o-y in FY20. Production volume split — (i) Electrical: 60,651 MT (-3% y-o-y); (ii) Communication: Metal Based at 7,773 MT (-4% y-o-y), Optic Fibre cables (60-70% of mix) at 1,295K FKM (-30%), impacted by slowdown in telecom sector (domestic public & private).

New launches: In FY20, FNXC forayed into Industrial Switchgear — MCCBs, available in varying breaking capacities (63-800 Amps), with market size of ₹20 bn. Also, FNXC launched a wide range of electrical accessories (door bell, extension box, spike guard, angle holders and batten holders).

Ad-Spend: FNXC has increased ad-spends to ₹500 mn (1.6% of sales) in FY20 vs. ₹140 mn in FY16 (0.6% of sales). This augers well with New products (appliances).

Op-profit and margin trend



Source: Jefferies estimates, Company Data

Distribution: While FNXC's communication cables is largely a B2B business, Electrical cables are sold to channel partners as well as institutional clients. In FY20, FNXC's distributors stood at ~5K and retail touch-points at 50K (30K in FY19) — this is targeted at 150K over near term, by connecting to ~500 distributors (300 retailers for each). FNXC is growing reach in the North and East markets.

Capex: FNXC has retained capex outlook at ₹2 bn over next 18 months. Ongoing projects: (i) Goa — Electrical Conduits facility likely to commission early next year ; (ii) Pune – Solar Cables by deploying electron beam accelerators — an advanced technology; (iii) Pune — installing a new line to make tinned copper and foray into instrumentation cables, with a view to strengthening backward integration.

Strong B/S, C/F: FNXC's cash & investments stood at ₹16.6 bn as of Mar'20 (₹14.3 bn in Mar'19). This amounts to ₹109/share (~35% of CMP). Net D/E at -0.3x, RoE at ~16% and RoCE at ~19%. Important to highlight that despite disruption in Q4, operating C/F for FY20 improved to ₹2.6 bn (₹1.5 bn in FY19).

Estimates, Buy: Over FY20-23e we estimate FNXC's sales/PBT to clock 4%/7% CAGR with +150bps op-margin. While we remain mindful of near-term risks, risk-reward appears favourable at current PE of 14x/11x PE on FY21/22 — this, in context of FNXC's strong franchise in cables & wires, focus on the margin-accretive Electrical segment and a robust B/S. Reiterate **Buy** with PT of ₹415 (target PE at 15x). Key risks: Extended slowdown, weak traction in New Products, Comm. cables. A key monitorable is the family tussle in the Finolex group (as reported in media).

JEFFERIES

Markets

TUESDAY, SEPTEMBER 22, 2020

EXPERT VIEW

With high valuations and worries that earnings may not justify such valuations anytime soon, markets may trade uncertain for the time being.

—Vinod Nair, head of research, Geojit Financial Services

Money Matters

G-SEC

Benchmark yield rose under selling pressure 0.001%

₹/$

The rupee ended higher despite weak local equities 0.075%

€/$

The euro fell against the dollar 0.431%

MKTS BLEED ON GLOBAL SELL-OFF

Sensex dives 812 pts, Nifty falls 254 pts

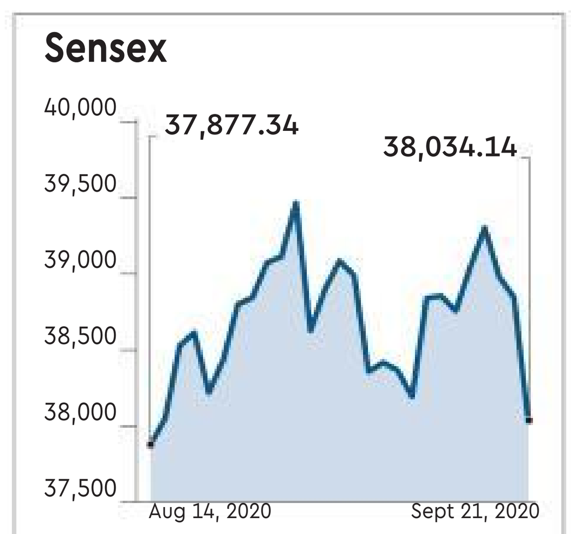
IndusInd Bank top loser in Sensex pack; investors lose ₹4.23 lakh crore of wealth

FE BUREAU
Mumbai, September 21

MIRRORING THE SHARP sell-off in global markets, Indian equities crashed on Monday, as investors turned jittery and booked profits even as novel coronavirus cases continued to rise amid economic uncertainty. The Sensex crashed 811.68 points to close at 38,034.14 while the Nifty plunged 254.4 points to close at 11,250.4.

The rally in the markets in the last few months was triggered by loose monetary policies adopted by central banks of developed countries. This led to a sharp disconnect between markets and the economy at large. The uncertainty around an additional fiscal stimulus in the US failed to enthuse investors who resorted to book profits.

So far in September, buying by foreign portfolio investors (FPIs) into Indian equities has slowed down, with the total buying standing at $563.03 million. The FPI buying has, however, continued for the fifth straight month. The rupee appreciated by 7 paise against the dollar to close at 73.38.



UR Bhat, director, Dalton Capital Advisors (India), said: "Whether the current market correction is a one-off or of a longer duration depends on how the scenario will shape up. If this is a precursor to another lockdown globally or in India, then the markets could see a longer-time correction. If not, there are some initial signs of recovery and continuing fiscal stimulus, which could make this correction a one-off event."

The resurgence of Covid-19 cases in Europe added to the worries as it dampened the sentiment behind a possible quick economic recovery. Many European countries on Friday introduced a new set of restrictions to curb rising cases of novel coronavirus. The UK is considering a new national lockdown.

European indices in Germany, France and the UK tanked between 3.1% and 3.5%. Asian markets also closed in losses with Hong Kong's Hang Seng declining 2.06%.

Sorbh Gupta, associate fund manager, Quantum Mutual Fund, said, "The markets are not factoring in a second round of lockdown. If that happens, a correction will definitely take place. There is still some uncertainty around Covid-19, but if participants have some money to deploy, then they should use corrections such as these as a buying opportunity to create a long-term equity portfolio."

Equities on Monday saw deep cuts in all sectoral indices as well as the broader markets, with the Nifty Midcap and Nifty Smallcap declining by 4.06% and 4.17%. Global-facing stocks such as metal and automobile stocks, along with banks, remained under pressure.

Despite this, market experts are betting on the improving economic indicators and have stated that the markets will not react unless the economic indicators do.

Bhat said, "The market reacts to economic indicators and we can see some modest improvement in auto sales, petroleum consumption, GST collections, among others. In the event of an adverse impact on such economic indicators, the markets will react negatively."

The markets witnessed strong volumes, data from the NSE show.

The turnover in the futures and options segment stood at ₹18.07 lakh crore, against the six-month average of ₹15.52 lakh crore. The cash market segment saw a turnover worth ₹64,211.23 crore, against the six-month average of ₹53,128 crore.

Major losers on the Nifty were IndusInd Bank, Tata Motors, Hindalco, Tata Steel and JSW Steel, which were down by 8.5%, 7.8% 7.24%, 6.06%, and 6.05%, respectively. Only gainers were TCS, Infosys and Kotak Mahindra Bank, up by 0.7%, 0.48%, and 0.37%, respectively.

Banks not risk averse, they are being prudent: SBI chairman

PRESS TRUST OF INDIA
New Delhi, September 21

ASSERTING THAT THERE is muted demand for loans, SBI chairman Rajnish Kumar on Monday said banks are not risk averse but they are being prudent in these trying times to avoid a repeat of the post-2008 scenario when there was "dilution" in credit underwriting standards.

Data clearly shows that investment in the economy has come down, the head of the country's biggest lender said.

"If the capex (capital expenditure) is not happening and investment in the economy is not happening at the same pace, then obviously this is a demand issue and the risk aversion would be where there is a demand and banks are not lending," he said at a virtual event organised by AIMA.

Bank credit in July stood at ₹91.48 lakh crore. For banks to give debt requires equity from promoters, Kumar said, adding that the number of people or business houses who have that capability to invest has shrunk. In such circumstances, there is a need to create more businesses and entrepreneurs who have the capability to invest in operations and borrow, he noted.

"If people are benchmarking that what happened after 2008 where there was a lot of money supplied by the banks and there was dilution of the credit underwriting standards and then banking system and the country paid a heavy price..."

SBI to charge 0.35% more interest on recast retail loans

FE BUREAU
Mumbai, September 21

STATE BANK OF INDIA (SBI) on Monday launched a portal to administer the restructuring scheme to retail borrowers hit by Covid-19-related stress. The country's largest lender will be charging an additional interest of 0.35% per annum over and above the current pricing for the remaining tenure of the restructured loans, "in order to offset partial cost of additional provisions required to be made by the bank."

Customers can check their eligibility for the restructuring of their loans through the portal. Upon logging in, they will be asked to key in their account number. After completion of OTP validation and inputting a few other details, the customer will come to know their eligibility and receive a reference number. This reference number will be valid for 30 days, within which period customers can visit the branch to complete the required formalities.

The restructuring process will be completed after verification of documents and execution of some procedures at their branch.

According to a set of frequently asked questions (FAQs) released by SBI, borrowers will be eligible under the scheme if their salary/income in August 2020 has got reduced as compared to February, 2020 or if there has been a reduction/suspension in salary during the lockdown period. Borrowers who

have experienced job loss, closure of business or reduced activity at their establishments will also be considered for the scheme. The loans covered under the framework are housing and other related loans, education loans, auto loans (other than loans for commercial use) and personal loans. Only those accounts that existed in the bank's books as on March 1, 2020 are eligible for consideration under this framework.

The relaxations that may be sanctioned under the framework are a moratorium of up to a maximum of 24 months or rescheduling of instalments and extension of tenure by a period equivalent to the moratorium granted subject to a maximum of two years.

The maximum age up to which the tenor of the loan can be extended will depend on the product. For instance, in case of home loans, the tenure of the loan can be extended up to a maximum of 24 months or till the primary borrower attains 77 years of age, whichever is earlier.

Quick View

Irdai permits insurers to conduct video-based KYC

REGULATOR IRDAI ON Monday permitted life and general insurers to conduct KYC of prospective customers through Video Based Identification Process (VBIP), a move that will help company officials to complete mandatory requirement online during the pandemic.

SBI Life pacts with Yes Bank to sell insurance schemes

SBI LIFE INSURANCE on Monday said it has signed bancassurance agreement with Yes Bank to offer a comprehensive bouquet of life insurance solutions to the bank's customers across the country.

Rupee rises 7p to 73.38 in line with Asian peers

THE RUPEE STRENGTHENED by 7 paise to close at 73.38 against the US dollar on Monday, extending its gains for the second day on the back of firm Asian currencies and weak crude oil prices.

mPokket to disburse ₹1,200-cr loans in FY21

LENDING PLATFORM MPOKKET on Monday said it will disburse ₹1,200-crore loan to college students and young working professionals this fiscal, a rise of over 70% from FY20.

HDFC Bank denies allegations made in US lawsuits against it

FE BUREAU
Mumbai, September 21

HDFC BANK ON Monday issued a statement in response to the lawsuits filed against it by multiple law firms in the US, denying the allegations made therein. The bank said that the litigant was a single security holder, who was purporting to represent a class of its shareholders.

In a notification to the exchanges, HDFC Bank said, "...we wish to inform you that the bank is aware of a complaint that was recently filed against the bank and its three employees in the United States. The lawsuit, which was filed by a single small security holder who seeks to represent a class of the bank's security holders, is based on allegations that the security holder claims caused a temporary decline in the bank's ADR (American Depository Receipt) stock price in July 2020."

Denying the allegations, the lender said it intends to defend itself vigorously in the lawsuit. It expects its response to the lawsuit to be due in early 2021.

The class action suit filed by Pomerantz alleged that the lender had misled

its investors. The firm has sought damages from the bank and sought a trial by jury, according to a copy of the complaint available on Pomerantz's website. The lawsuit names HDFC Bank, its outgoing managing director Aditya Puri, CEO-designate Sashidhar Jagdishan and company secretary Santosh Haldankar as defendants.

Filed in the United States District Court for the Eastern District of New York, the complaint states that the defendants made materially false and misleading statements regarding the bank's business, operational and compliance policies. The lawsuit represents a class consisting of all persons and entities other than the defendants who purchased or otherwise acquired HDFC Bank securities between July 31, 2019 and July 10, 2020, both dates inclusive, seeking to recover damages caused by the defendants' alleged violations of federal securities laws and to pursue remedies.

The complaint said, "Specifically, Defendants made false and/or misleading statements and/or failed to disclose that: (i) HDFC Bank had inadequate disclosure controls and procedures and internal control over financial reporting; (ii) as a result, the Bank maintained improper lending practices in its vehicle-financing operations; (iii) accordingly, earnings generated from the Bank's vehicle-financing operations were unsustainable; (iv) all the foregoing, once revealed, was foreseeably likely to have a material negative impact on the Bank's financial condition and reputation; and (v) as a result, the Bank's public statements were materially false and misleading at all relevant times."

Route Mobile makes dream debut

SHARES OF ROUTE Mobile on Monday made a stellar stock market debut as they jumped 86% at close of trading against its issue price of ₹350.

On the BSE, it got listed at ₹708, reflecting a jump of 102.28% from the issue price.

During the day, it rose to a high of ₹735, registering a gain of 110%. It later closed at ₹651.10, higher by 86%.

On the NSE, the company debuted at ₹717, up 104.85% from the issue price. It finally settled at ₹650.30, up 85.8%. Its market valuation was at ₹3,701.97 crore on the BSE. In volume terms, 27.27 lakh shares were traded on the BSE and 2.91 crore on the NSE. Route Mobile's initial public offer was subscribed more than 74 times, mirroring huge investor appetite for the issue. —PTI

ANALYST CORNER

Colgate-Palmolive expects sales to be augmented

NOMURA

WE INTERACTED WITH the Colgate management for a business update. Following are our key takeaways, Volumes, Colgate's toothpaste volumes have improved from 1Q (-4% y-o-y) levels and are witnessing growth (our estimate: early mid-single digits in 2Q). Toothbrush volumes have also recovered meaningfully (our view: flat in 2Q vs c.-35% in 1Q). Trade channel, Colgate expects sales to be further augmented by some trade-channel filling that had reduced in 1Q; however, channel inventory is still below pre-pandemic levels

Pricing, While the company has yet to put into effect its annual price hike (usually in April), promotions were withdrawn in April-May, yielding an indirect price hike (our estimate: c.2-3%), supporting value growth.

Naturals, Naturals toothpaste category growth has moderated vs earlier and so has the intense competitive intensity. Recent launches, While overall premiumization is unlikely to be a priority in the current tough environment; Colgate's recent launch ''Colgate Charcoal Clean Black Gel'' toothpaste has performed very well, even during the pandemic.

Palmolive, Personal care products (i.e., body washes, hand washes, sanitizers) are doing well in the current environment of elevated hygiene consciousness. Market share, Overall market share (Nielsen data) continues to be stable (c.52%); however Colgate seems to be growing faster than industry growth. The company's share in the naturals' category is also stable.

Dr Reddy's bets big on agreement with Celgene

EDELWEISS SECURITIES

DR REDDY'S HAS struck a settlement on gRevlimid with innovator Celgene that will allow it to launch volume-limited quantities after March 2022. The settlement ahead of a pre-trial hearing lend more visibility to earnings beyond FY22 and removes a long-pending overhang for Dr Reddy's as well as Natco. Our base case for the gRevlimid opportunity stands at ₹180/share assuming a September 2022 launch, peak market share of 16% in FY26 and increasing competition FY25 onwards. The EPS contribution is much sharper: we model in ₹42/79/72 for FY23/24/25E. This development also removes the overhang for Natco as Dr Reddy's was the most formidable filer with a purportedly non-infringing ANDA.

Dr Reddy's has entered into a settlement agreement with Bristol Myers-owned Celgene on gRevlimid. The settlement details are confidential: Dr Reddy's will launch the generic sometime after March 2022, will receive a volume-limited licence to sell (% shares not disclosed) and can launch unlimited quantities after January 2026. Bristol Myers generates ~$7.5 billion annually from this drug. Natco's settlement terms remain the best as it could potentially have the highest volume among generics. With Dr Reddy's settling the matter, the threat of early competition of volume-unlimited market from FY24 recedes. gRevlimid contributes ~₹225 (out of ₹850) for Natco, and we believe any risks to this have abated.

INTERVIEW: **AMIT PALTA,** chief distribution officer, ICICI Prudential Life Insurance

'Demand for protection items structural in nature'

ICICI Prudential Life Insurance believes its performance demonstrates resilience in the context of the current economic environment, says chief distribution officer ***Amit Palta.*** *In an interview with* ***Mithun Dasgupta,*** *Palta says the company is looking at enhancing its existing distribution as well as creating new distribution channels. Excerpts:*

What are the short-term impacts of the pandemic on ICICI Prudential Life's business growth plans? How is the company responding to it?

The pandemic has pushed businesses across sectors to transform. Our robust technology backbone has enabled us to swiftly adapt to the new normal by prioritising digital engagement to deliver safety and convenience to our customers, employees and distributors. Employees in frontline sales and our distribution partners have been equipped with various collaboration tools to provide customers a contactless and frictionless experience. By leveraging digital tools, we have ensured that our claims settlement process remains unaffected.

During the April-August period, the company's new business premiums declined 23% against a 6% de-growth for the life insurance industry. How are you planning to boost sales as the number of policies sold during the first five months saw a de-growth of 23% year-on-year? Which are the product categories you think will help boost sales?

We believe our performance demonstrates our resilience in the context of the current economic environment. The protection segment, which is a key area for us, maintained a consistent performance as it generated APE (annualised premium equivalent) of ₹214 crore in Q1, 26% of total APE for the quarter. Non-linked savings business registered a 14.2% growth during Q1. The unit-linked segment too has been improving sequentially through the year. We have also seen a considerable increase in customer interest in term products and critical illness covers and we see this demand as a significant opportunity.

The interest towards purchase of protection plans has increased after the rapid spread of Covid-19. As new daily cases and fatalities continue to rise, will demand for such pure protection products remain high?

Our estimate is that only 10% of the addressable population in India has some level of income protection, thus highlighting the deep level of under-penetration that exists in the country. The pandemic has only heightened the need for protecting life and ensuring financial security for the family. We firmly believe the demand for protection products that we are witnessing is structural in nature and we should see sustained growth in the coming decade.

The company is aiming at deepening penetration in under-served customer segments. For that, what kind of distribution mix (agency versus bancassurance) is it looking at?

We have a well-diversified distribution mix. Of the total APE in Q1FY21, bancassurance constituted 39.6%, agency 24.7% and the balance 35.7% was accounted by other channels. We are looking at enhancing our existing distribution as well as creating new distribution channels. For instance, we recruited about ~23,500 agents in FY20 and also forged partnerships with both traditional as well as new-age distributors such as IDFC First Bank, NSDL Payments Bank and Paytm.

The Covid-19 pandemic has brought disruptions across operations of financial services. In this prevailing environment, how are you ensuring delivery of superior customer service?

Our digital platform empowered customers to conveniently and safely conduct virtually every transaction from the convenience of their homes. Service touch-points like WhatsApp, mobile app, company website and chatbot LiGo were scaled up to facilitate customers to initiate and conclude a variety of service requests. During the past quarter, 93% of service requests were completed through self-help modules, about 95% of required documents were submitted via the digital platform and about 390 claims were intimated to us through digital enablers.

FRAMEWORK UNVEILED

Sebi move to curb volatility in commodity futures

PRESS TRUST OF INDIA
New Delhi, September 21

SEBI ON MONDAY came out with an alternative risk management framework to handle a scenario of 'near zero' and negative prices in commodity futures.

Sebi noted that in recent times an extreme volatility has been observed in commodity prices globally, particularly in the case of crude oil, wherein prices had unprecedentedly gone down to zero and subsequently even negative.

In such a scenario, margins equivalent to even 100% of the futures price would not have been sufficient to cover the steep upward or downward price variations in the futures market, it added.

In order to enable a risk management framework to handle such a scenario of 'near zero' and negative prices, Sebi constituted a task force of clearing corporations and market participants to review the risk management framework in such cases, the regulator said in a circular.

Based on the recommendations of the task force, Sebi said it has been decided that alternate risk management framework (ARMF) will be applicable in such cases of near-zero and negative prices for any underlying commodities/futures.

To begin with, commodities that need specialised storage space in physical markets, which, if not followed, may cause environmental hazards or have other external implications and those commodities that cannot be disposed of or destroyed with ease may be in-principle treated as susceptible to the possibility of near zero and negative prices, Sebi said.

The clearing corporations (CCs) will have to ensure the readiness of their systems to implement the prescribed framework within 60 days. However, CCs, which do not presently provide for the clearing and settlement services of any such susceptible commodity, are not required to update their systems for the prescribed framework.

However, before the launch of any such susceptible commodities in future, they will ensure that their systems are updated for the ARMF.

In case the clearing corporation foresees the possibility of negative/near-zero prices in any commodity, then for such commodity derivatives, it will activate the ARMF.

Privatise select PSBs, dilute DFS role: Rajan

PRESS TRUST OF INDIA
New Delhi, September 21

FORMER RESERVE BANK of India (RBI) governor Raghuram Rajan on Monday suggested the government to privatise select public sector banks, set up a bad bank to deal with NPAs and dilute the role of Department of Financial Services.

The reforms are necessary to ensure growth of the banking government without the periodic boom-bust cycles, said a paper, titled 'Indian Banks: A Time to Reform?', co-authored by Rajan and former RBI deputy governor Viral Acharya.

"Re-privatisation of select PSBs can then be undertaken as part of a carefully calibrated strategy, bringing in private investors who have both financial expertise as well as technological expertise; corporate houses must be kept from acquiring significant stakes, given their natural conflicts of interest," the paper said.

"Winding down Department of Financial Services in the Ministry of Finance is essential, both as an affirmative signal of the intent to grant bank boards and management independence and as a commitment not to engage in 'mission creep' when compulsions arise to use banks for serving costly social or political objectives," the paper noted.

According to the paper, private asset management and national asset management 'bad banks' should be encouraged in parallel to the online platform for distressed loan sales. "The national public sector 'bad bank' could serve as a vehicle to aggregate loans, create asset management teams for distressed firms, and possibly buy and hold distressed assets in a sector like power till demand returns..." it said.

Google Pay, Visa partner for payments with tokenisation

GOOGLE PAY ON Monday announced the rollout of tokenisation across its platform that will enable users to safely transact with their debit or credit cards.

Through tokenisation, Google Pay Android users can use their debit or credit card to make payments through a secure digital token attached to their phone without having to physically share their credit or debit card details.

The feature will also facilitate use of tap-to-pay feature on near-field communications (NFC)-enabled point of sale (PoS) terminals and online merchants, a statement said.

"Working in close partnership with Visa and banking partners, this feature is now available to all users of Axis and SBI Card, with Kotak and more banks expected to follow suit very soon," it added.

The feature also works with online merchants, delivering more native and seamless OTP experiences without any redirects to 3D secure sites, the statement said. **PTI**

Reliance Capital begins asset monetisation process

PRESS TRUST OF INDIA
New Delhi, September 21

RELIANCE CAPITAL, WHICH recently defaulted on repayments to its debenture holders and other creditors, has begun the process for monetisation of its assets, market sources said.

The key assets of Reliance Capital include Reliance Securities, Reliance Health and Reliance General Insurance Company. Other assets include Reliance Nippon Life Insurance, a 51:49 joint venture with Nippon Life, and Reliance Capital's 49% stake in Reliance Asset Reconstruction Company.

Market sources said Reliance Capital has begun its monetisation plan and expression of interest by the trustee – Vistra – will be issued this week. The resolution applicant can bid for controlling shareholding in Reliance Capital, or individual assets or any combination of assets. When contacted, a spokesperson of Reliance Capital declined to comment.

AMAZE ENTERTECH LIMITED

Corporate Identification Number ("CIN"): L72100MH1989PLC255933
Registered Office: 156,1st Floor, Raghuleela Mega Mall, Poisar Gymkhana Road, Kandivali (West), Mumbai-400067, Maharashtra, India.
Tel. No. +91-8655075578 **Email:** amazeentertech@gmail.com, **Web:** www.amazeentertechlimited.com

Recommendation of the Committee of Independent Directors ("IDC") on the Open Offer to the shareholders of Amaze Entertech Limited (the 'Target Company' or "TC") by Mr. Jaspalsingh Prehladsingh Chandock ("Acquirer") alongwith Mr. Trimaan Jaspalsingh Chandock ("PAC 1") and Mr. Jaikaran Jaspalsingh Chandock ("PAC 2") for acquiring of 2,02,51,400 fully paid-up Equity Shares of Rs.10/- each, constituting 26% of the Diluted Share and Voting Capital of Target Company under Regulation 26(7) of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto (the 'SEBI (SAST) Regulations').

1.	Date	September 17, 2020
2.	Name of the Target Company (TC)	**Amaze Entertech Limited**
3.	Details of the Offer pertaining to TC	The Open Offer is being made by the Acquirer alongwith the PACs to the shareholders of the TC, for acquisition of upto 2,02,51,400 fully paid-up Equity Shares of the face value of Rs. 10/- each, constituting 26% of the Diluted Share Capital and Voting Capital, at a price of Rs. 10/- (Rupees Ten only) per share in terms of Regulations 3(1) & 4 of SEBI (SAST) Regulations.
4.	Name(s) of the Acquirer and PAC with the Acquirer	• Mr. Jaspalsingh Prehladsingh Chandock ("**Acquirer**") • Mr. Trimaan Jaspalsingh Chandock ("**PAC 1**") • Mr. Jaikaran Jaspalsingh Chandock ("**PAC 2**")
5.	Name of the Manager to the Offer	**Systematix Corporate Services Limited** SEBI Registration No. INM 000004224 The Capital, A-Wing, 6th Floor, No. 603-606, Plot No. C-70, G - Block, Bandra-Kurla Complex (BKC), Bandra (East), Mumbai - 400 051, Maharashtra, India. Tel. No: +91-22-6704 8000; Fax No. +91-22-6704 8022 Email: investor@systematixgroup.in; Website: www.systematixgroup.in
6.	Members of the Committee of Independent Directors (Please indicate the chairperson of the Committee separately)	• Deepak Mehta • Sejal Soni Deepak Mehta is the Chairman of the Committee of Independent Directors ("**IDC**").
7.	IDC Member's relationship with the TC (Director, Equity shares owned, any other contract / relationship), if any	All the IDC Members are Independent & Non-Executive Directors of the TC. They do not have any contractual relationship with the TC.
8.	Trading in the Equity shares/other securities of the TC by IDC Members	None of the IDC Members have done any trading in Equity Shares / Other securities of the TC since their appointment as Director
9.	IDC Member's relationship with the Acquirer (Director, Equity shares owned, any other contract / relationship), if any.	None of the IDC Members have any relationship with the Acquirer and the PACs.
10.	Trading in the Equity shares/other securities of the acquirer by IDC Members	Not Applicable
11.	Recommendation on the Open Offer, as to whether the offer is fair and reasonable	IDC is of the opinion that the offer is fair and reasonable. The shareholders may independently evaluate the offer price vis-à-vis market price and take an informed decision in the best of their interests.
12.	Summary of reasons for recommendation (IDC may also invite attention to any other place, e.g. company's website, where its detailed recommendations along with written advice of the independent adviser, if any can be seen by the shareholder)	IDC has evaluated the Public Announcement ("**PA**"), Detailed Public Statement ("**DPS**"), Draft Letter of Offer ("**DLOF**") and Letter of Offer ("**LOF**") prepared by Systematix Corporate Services Limited (Manager to the Offer) for and on behalf of Acquirer and the PACs. Based on the above, the IDC is of the opinion that the Offer Price, being offered by the Acquirer and the PACs, of Rs. 10/- per fully paidup Equity Share is fair and reasonable and recommends the acceptance of the Open Offer, in the light of the following: • The shares are infrequently traded on the stock exchange. • The Offer Price offered by the Acquirer and the PACs is in line with the regulation prescribed by SEBI under the SEBI (SAST) Regulations and prima facie appears to be justified. • The Offer Price is also the allotment price per Equity Share and Warrants offered in Preferential Issue to the Acquirer and Others (public shareholders). However, it is advised to the shareholders to independently evaluate the open offer vis-à-vis current share price and take an informed decision before participating in the Offer.
13.	Details of Independent Advisors, if any.	Nil
14.	Any other matter(s) to be highlighted	Nil

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

For and on behalf of Committee of Independent Directors of Amaze Entertech Limited
Sd/-
Deepak Mehta
Chairman of Committee of Independent Directors

Place:Mumbai
Date: September 17, 2020

Standard Chartered

STANDARD CHARTERED PLC

Standard Chartered PLC (the **"Company"**) was incorporated in England and Wales on November 18, 1969 and registered as a public limited company under company number 00966425.
Registered Office and Principal Place of Business in the UK: 1 Basinghall Avenue, London EC2V 5DD
Tel: +44 (0)20 7885 8888; **Fax:** +44 (0)20 7885 7337; **Website:** www.sc.com; **Email:** group-corporate.secretariat@sc.com
Contact Person for IDRs: Ekta Lalwani; **Tel:** +91 22 6115 7853; **Fax:** +91 22 2675 7733; **Email:** ekta.lalwani@sc.com

CASH PROCEEDS OF THE TERMINATION PROCESS FOR THE INDIAN DEPOSITORY RECEIPTS (THE "IDRs")

The Company had issued 240,000,000 IDRs with every 10 IDRs representing one ordinary share of US$ 0.50 nominal value (the **"Shares"**) of the Company, in June 2010 (the **"IDR Programme"**). The IDR Programme stood terminated in June 2020, with the IDRs being delisted from BSE Limited and The National Stock Exchange of India Limited w.e.f. July 22, 2020.

As part of the termination process, the Shares underlying the IDRs, for which a Cash-out Option was opted, or which were outstanding on June 19, 2020, were sold on the London Stock Exchange, at the prevailing market prices, and the net proceeds of such sale were distributed to the IDR holders in proportion to the number of IDRs held by such IDR holders, by way of electronic credit and/or demand drafts.

In certain cases, the demand drafts issued to the IDR holders for distribution of the cash proceeds, have not yet been encashed. These demand drafts shall expire on 90th day of the date of issuance, with last lot of such demand drafts issued by the Company, expiring on October 8, 2020.

Accordingly, this is to request each member who was a holder of outstanding IDR(s) as on June 19, 2020, and who:

a) has received the demand draft for such members' share of net proceeds, but would like to receive such proceeds by way of an electronic credit to the bank account instead (**"Category A"**); or
b) has received the demand draft for such members' share of net proceeds, but the time period to encash such demand draft has expired (**"Category B"**); or
c) has neither received electronic credit in bank account of such member, nor received a demand draft, for such members' share of net proceeds (**"Category C"**),

to provide us with the valid and correct bank account details and other requisite information (*as mentioned below*), for the purpose of receiving their proportionate share of net proceeds of sale of Shares underlying their IDRs.

Details of timelines and information to be submitted by such members, depending on the category in which such members falls in, is as follows:

	Category A	Category B	Category C
When can you make a letter for receiving proceeds in bank account	Any time, prior to expiry of the demand draft	Any time, after expiry of the demand draft until completion of 12 years from June 24, 2020*	Any time, after October 8, 2020 until completion of 12 years from June 24, 2020*
Information to be submitted	1. Name and address of IDR Holder 2. If IDRs were held in demat form, details of beneficiary account number, DPID and Client ID 3. Bank account details where you now wish to receive electronic credit: (a) Name on the bank account (b) Account number (c) Bank name (d) IFSC code of the bank (e) MICR code 4. Copy of cancelled cheque of the aforesaid account 5. Identity proof (with address) (e.g. Aadhaar card, Passport)		
Additional information / documents to be submitted	Original copy of the demand draft (which should not have been encashed)	-	A confirmation that the member has neither received electronic credit in bank account of such member nor received a demand draft, for such members' share of net proceeds
Where do you need to submit the aforesaid information	The members are requested to provide the aforesaid information, to any of the following, for receiving their respective share of net proceeds: 1. Email: (a) To einward.ris@kfintech.com. (b) Please provide clean scan copies and the subject line of the email should mention the following: *"SCPLC IDR Termination Programme – Submission of bank details"* 2. Registered post or courier or hand delivery: (a) At the office of the Registrar only at KFin Technologies Private Limited, Selenium Tower B, Plot Nos. 31 & 32, Financial District Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032. Please mention on the envelope: *"SCPLC IDR Termination Programme – Submission of bank details."*		

** If there are any unclaimed proceeds lying with the Domestic Depository from the sale of Shares underlying the IDRs, the Domestic Depository shall hold these in trust for 12 years (from the date it has received such proceeds for distribution) to the relevant IDR holder(s). After completion of a period of 12 years, the Domestic Depository shall transfer an amount equal to that unclaimed distribution to the "Investor Protection and Education Fund" established pursuant to the Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009 (as amended /substituted from time to time).*

Please note that the Registrar and/or the Domestic Depository may requisition for additional information/ confirmations from members, to ensure that the proceeds are being distributed to the eligible members, as well as to keep a check on fraud/ mis-representation etc.

The net proceeds with respect to Shares underlying the Encumbered IDRs shall be distributed upon release/ enforcement of such encumbrance, as per the communication received by the Domestic Depository from the Registrar/ Security Depository.

Note: *Capitalised terms used but not defined herein, shall have the meanings given to them in the 'Termination Operating Guidelines' issued in relation to the termination process.*

To address queries, the Domestic Depository and the Registrar have set up dedicated telephone helplines during the working hours (i.e. 9:00 am to 6:00 pm) on all working days, until 21 July 2021:
Domestic Depository: +91 (0)22-6115-7854/ +91 (0)22-6115-7758
Registrar: 1800 3454 001

For **Standard Chartered PLC**
on behalf of Board of Directors
Sd/-

Date: September 22, 2020
Mumbai

"Form No. INC-25A"
Advertisement to be published in the newspaper for conversion of public company into a private company

Before the Regional Director, Ministry of Corporate Affairs South East Region, Hyderabad.
In the matter of the Companies Act, 2013, section 14 of Companies Act, 2013 and rule 41 of the Companies (Incorporation) Rules, 2014
AND
In the matter of **SWAASA PHARMA LIMITED, CIN: U24232AP2012PLC081966,** having its registered office at Plot No. 23-D, APSEZ-Denotified Area, APIIC Rambilli Mandal, Vishakhapatnam, Andhra Pradesh 531011 India
________Applicant

Notice is hereby given to the general public that the company intending to make an application to the Central Government under section 14 of the Companies Act, 2013 read with aforesaid rules and is desirous of converting into a **private limited company** in terms of the special resolution passed at the Extra Ordinary General Meeting held on 17th September, 2020 to enable the company to give effect for such conversion.

Any person whose interest is likely to be affected by the proposed change/status of the company may deliver or cause to be delivered or send by registered post of his objections supported by an affidavit stating the nature of his interest and grounds of opposition to the Regional Director, South East Region at the address 3rd Floor, Corporate Bhawan, Bandlaguda, Nagole, Tattiannaram Village, Hayat Nagar Mandal, Ranga Reddy District, Hyderabad - 500068, PHONE: 040 29804127, 29803127(Off). Email: rd.ser@mca.gov.in, within fourteen days from the date of publication of this notice with a copy to the applicant company at its registered office at the address mentioned below:

For SWAASA PHARMA LIMITED
CIN: U24232AP2012PLC081966
Sreenivasulu Reddy Mallu
Designation:
(DIN: 01687646)
Complete address of registered office:
SWAASA PHARMA LIMITED,
CIN: U24232AP2012PLC081966
Registered office Address: Plot No. 23-D, APSEZ - Denotified Area, APIIC Rambilli Mandal, Vishakhapatnam, Andhra Pradesh, 531011 India.
Date: 21st September, 2020.
Place: Vishakhapatnam.

Insolvency: Surge in cases unlikely after suspension is lifted, says FM

From the Front Page

Replying to a debate on the Bill in the lower House, Sitharaman defended the promulgation of the Ordinance, saying an immediate relief to companies—large and small—was necessitated due to the exceptionally damaging nature of the pandemic and its enormous scale.

As for other modes of resolution, the RBI has already come out with a one-time debt recast scheme, under which as many as 26 sectors, hit hard by the Covid-19, are being eligible for relief. The government is working on a special resolution framework for MSMEs and the work has started on a pre-pack framework as well. Already, the government has raised the default threshold for initiating insolvency proceedings to ₹1 crore from ₹1 lakh earlier, which will prevent many MSMEs from being dragged to the NCLT.

On Saturday, Sitharaman had said the aim of the IBC was to "keep the companies as going concern rather than liquidating them". Since Covid has hit every industry, it's difficult to find suitors if a large number of companies are put on the block for resolution. Hence, without a temporary suspension of the initiation of insolvency for Covid-related default, many companies would have faced the prospect of liquidation. The minister, however, made it clear that insolvency applications filed for default before March 25 (when a national lockdown was imposed) are being entertained.

Citing RBI data, the finance and corporate affairs minister said in FY19, the recovery under the IBC was as much as 42.5% of the admitted claims, way better than that through other tools, such as Lok Adalat (5.3%), Debt Recovery Tribunals (3.5%) and the SARFAESI Act (14.5%).

Opposing the Bill, senior Congress leader Adhir Ranjan Chowdhury said: "I took a serious exception to the way one after another Ordinances are being promulgated on the pretext of Covid. What I would suggest the government is that the promulgation of ordinances shouldn't be taken as a rule. It should be considered as an exception." He also cited the inordinate delay in the resolution of several insolvency cases.

Data available with the IBBI show, of the 2,108 ongoing cases as of June 2020, the resolution of as many as 1,094 has been dragging on beyond the mandatory 270 days, primarily due to legal hassles.

THE MYSORE PAPER MILLS LTD

(A Govt. of Karnataka Company)
Regd. Office : 32, 5th Floor,
(Karnataka State Co-operative Federation Ltd.'s Building)
D. Devaraj Urs Road, (Race Course Road), Bengaluru – 560 001.

NOTICE

Notice is hereby given that a meeting of the Board of Directors of the Company will be held on **Wednesday, the 30th September, 2020, at 3.00 p.m.** at the above address to, inter alia, consider and to take on record the Unaudited Financial Results (Provisional) for the quarter/s ended **31.03.2020 & 30.06.2020** in terms of Clause 41 of the Listing Agreement.

For The Mysore Paper Mills Limited,
Sd/- Mohan D Kulkarni
Company Secretary

Bengaluru
Date : 21.09.2020

Heritage

HERITAGE FOODS LIMITED

CIN: L15209TG1992PLC014332
Regd. Office: # 6-3-541/C, Panjagutta, Hyderabad-500082, Telangana. Tel:+91-40-23391221/2, Fax:+91-40-23318090, e-mail: hfl@heritagefoods.in Visit us at : www.heritagefoods.in

NOTICE OF LOSS OF SHARE CERTIFICATE

Notice is hereby given that the under mentioned share certificate of the Company have been lost / misplaced / not traceable by the respective shareholder/Investor and the Company has been requested to issue duplicate share certificate in respect thereof as details given below:

Sl. No.	Folio No.	Name of the Shareholder(s)	No. of Shares	Certificate No.	Distinctive Nos.	Face Value
1	HFL000150	Bhuvaneswari B	10000	221102	45743709 - 45753708	Rs.5/-

Any person who has a claim / lien / interest in the above shares having any objection to the issue of duplicate share certificates in lieu of the above is requested to notify the same to the Company at its Registered Office within 15 days from the date of this notice, indicating the nature of the claim or lien or interest or his/her objection to the said issue of duplicate share certificates, through an affidavit duly attested, else the Company will proceed to issue duplicate share certificates without entertaining any claim/damage whatsoever.

for **Heritage Foods Limited**
Sd/-
UMAKANTA BARIK
Company Secretary & Compliance Officer
M.No: FCS 6317

Place : Hyderabad
Date : 21/09/2020

AEGIS LOGISTICS LIMITED

AEGIS
CIN : L63090GJ1956PLC001032
Regd. Office : 502 Skylon, G.I.D.C., Char Rasta, Vapi 396 195, Dist. Valsad, Gujarat
Corp. Office : 1202, Tower B, Peninsula Business Park, G. K. Marg, Lower Parel (W), Mumbai - 400013 Tel.:+91 22 6666 3666 Fax : +91 22 6666 3777
E-mail : aegis@aegisindia.com **Website :** www.aegisindia.com

Notice to Equity Shareholders of the Company

Notice is hereby given to the shareholders of the Company pursuant to section 124(6) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 that the Shareholders who have not claimed or encashed their dividends from the financial year 2013-14 for a period of 7 (seven) consecutive years, the equity shares in respect of which such dividends are lying unclaimed/unpaid along with their dividend amount for financial year 2013-14 (Interim) will be transferred to the IEPF Authority.

In view of the above, the statement containing the full details of the shareholders whose equity shares and the dividend for financial year 2013-14 are liable to be transferred to IEPF is uploaded on the Company's website www.aegisindia.com (link - http://www.aegisindia.com/Dividend.aspx) for information and necessary action by the shareholders.

The shareholders can claim their unpaid or unencashed dividends from the Company by contacting/ emailing the Company's Registrar and Share Transfer Agent as per the below details in a manner that the dividends are encashed on or before 30th November, 2020:

Link Intime India Pvt. Ltd., Unit - Aegis Logistics Limited
C 101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai - 400 083
Tel. : 022 49186270 | Email : rnt.helpdesk@linkintime.co.in

The Company has already sent individual communication to the latest available addresses of the shareholders, whose dividends are lying unclaimed since financial year 2013-14 till 7 (seven) consecutive years, advising them to claim the dividends expeditiously.

In case of no valid claim in respect of unclaimed dividend is received from the shareholders on or before 30th November, 2020 or such any date as may be extended (if any), the Company shall, with a view to complying with the requirements set out in the Rules, transfer the shares to the IEPF Authority as per the procedure stipulated in the Rules. However, the concerned shareholders may claim the said shares along with the unclaimed dividend(s) from IEPF Authority by filing Form IEPF-5.

The Copy of Notice is also available on the Stock Exchange website at www.bseindia.com and www.nseindia.com.

For Aegis Logistics Ltd.
Sd/-
Monica Gandhi
Company Secretary

Place : Mumbai
Date : 19/09/2020

FORM G

INVITATION FOR EXPRESSION OF INTEREST

(Under Regulation 36A (1) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 ("CIRP Regulations" read with Regulation 40C of CIRP Regulations *and Order dated 30th March 2020 passed by Hon'ble NCLAT)

RELEVANT PARTICULARS

1.	Name of the Corporate Debtor	**Topworth Steels & Power Pvt Ltd**
2.	Date of incorporation of Corporate Debtor	18th May, 2004
3.	Authority under which Corporate Debtor is incorporated / registered	Ministry of Corporate Affairs – ROC - Mumbai
4.	Corporate identity number of Corporate Debtor	U51420MH2004PTC146381
5.	Address of the registered office and principal office (if any) of corporate debtor	**Registered & Corporate Office** 308, 3rd Floor Ceejay House, Dr. A. B. Road, Worli Mumbai- 400018 **Plant Location** Borai Industrial Growth Center. Vill. Rasmada, Durg Bypass, Durg- 491001
6.	Insolvency commencement date of the corporate debtor	February 28th, 2020 (NCLT order dated January 29th, 2020)
7.	Date of invitation of expression of interest ("EOI")	September 18th, 2020
8.	Eligibility for resolution applicants under section 25(2)(h) of the Insolvency and Bankruptcy Code, 2016 ("Code") is available at:	Details can be obtained at **www.tsppl.co.in** under CIRP Section and **www.primusresolutions.in** under Primus Public Announcements
9.	Norms of ineligibility applicable under section 29A are available at:	Details can be obtained at **www.tsppl.co.in** under CIRP Section and **www.primusresolutions.in** under Primus Public Announcements
10.	Last date for receipt of expression of interest	October 7th, 2020
11.	Date of issue of provisional list of prospective resolution applicants	October 13th, 2020
12.	Last date for submission of objections to provisional list	October 16th, 2020
13.	Date of issue of final list of prospective resolution applicants	October 17th, 2020
14.	Date of issue of information memorandum, evaluation matrix and request for resolution plans to prospective resolution applicants	October 17th, 2020
15.	Manner of obtaining request for resolution plan, evaluation matrix, information memorandum and further information	Shall be shared in electronic form to all the Prospective Resolution Applicants eligible to receive the same under Regulations 36B(1) of Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.
16.	Last date for submission of resolution plans	November 27th, 2020
17.	Manner of submitting resolution plans to Resolution Professional	Details will be provided at the time of issue of Request for Resolution Plan
18.	Estimated date for submission of resolution plan to the Adjudicating Authority for approval	January 5th, 2020*
19.	Name and registration number of the Resolution Professional	Sanjay Gupta Reg. No.: **IBBI/IPA-002/IP-N00982-C01/2017-2018/10354**
20.	Name, Address and e-email of the Resolution Professional, as registered with the Board	Name: Sanjay Gupta Address registered with the Board- C-4-E/135, Janakpuri, New Delhi - 110058 Email ID registered with the Board: sanjay@sgaindia.in
21.	Address and email to be used for correspondence with the Resolution Professional	Address for Correspondence: Primus Insolvency Resolution and Valuation Pvt. Ltd. 206A, Skyline Epitome, Kirol Road, Nr Jolly Gymkhana, Vidyavihar West, Mumbai - 400086 Email:tsppl@primusresolutions.in
22.	Further Details are available at or with	This can be obtained by sending a request email at tsppl@primusresolutions.in or at +91-9540007506
23.	Date of publication of Form G	September 18th, 2020

*The Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) (Third Amendment) Regulations, 2020, notification dated March 29th, 2020, inserted new Regulation 40C, the relevant portion reads as "Not with standing the time-lines contained in these regulations, but subject to the provisions in the Code, the period of lockdown imposed by the Central & State Government in the wake of COVID-19 outbreak shall not be counted for the purposes of the time-line for any activity that could not be completed due to such lockdown, in relation to a corporate Insolvency Resolution Process"

The Hon'ble NCLAT taking suo moto cognizance of the unprecedented situation arising out of spread of COVID19, passed the order dated March 30th, 2020 inter alia stating that the period of lockdown ordered by the Central Government and the State Governments including the period as may be extended either in whole or part of the country, where the registered office of the Corporate Debtor may be located, shall be excluded for the purpose of counting of the period for Resolution Process under Section 12 of the Code, in all cases where 'Corporate Insolvency Resolution Process' has been initiated and pending before any Bench of the National Company Law Tribunal or in Appeal before this Appellate Tribunal.

The above timelines are, inter alia, based on the lockdown till July 31st, 2020 by the state government of Maharashtra.

The above timelines are subject to NCLT Mumbai granting the exclusion of time period in receipt of the order.

The CoC in its 7th Meeting held on September 14th, 2020 has approved the publication of Modified Form G.

sd/-
Sanjay Gupta
Resolution Professional -Topworth Steels & Power Pvt Ltd
IP Registration No.: IBBI/IPA-002/IP-N00982-C01/2017-2018/10354

Date: Friday, September 18th, 2020
Place: New Delhi

ICICI PRUDENTIAL LIFE INSURANCE

ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED

CIN: L66010MH2000PLC127837
Registered Office: 1089, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025, India
Tel: 022 5039 1600; **Fax:** 022 2422 4484. **Website:** www.iciciprulife.com; **E-mail:** investor@iciciprulife.com

NOTICE WITH RESPECT TO THE POSTAL BALLOT

Members of the Company are hereby informed that pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with Rule 22 of the Companies (Management and Administration) Rules, 2014 including any statutory modification or re-enactment thereof for the time being in force and subject to other applicable laws and regulations (**"the Rules"**) read with the General Circular No. 14/2020 dated April 8, 2020, the General Circular No. 17/2020 dated April 13, 2020 and the General Circular No. 22/2020 dated June 15, 2020, issued by the Ministry of Corporate Affairs, Government of India (the **"MCA Circulars"**), that a resolution is proposed to be passed by the Members of the Company, as set out in the Notice of the Postal Ballot (**"Notice"**), only through remote e-voting process (**"e-Postal Ballot"**).

The Notice will be sent in due course through electronic mode, to all the Members whose email IDs are registered with the Company/Depository Participant(s) in accordance with the aforesaid MCA Circulars. Members may note that the Notice will also be made available on the Company's website at www.iciciprulife.com and on the website of the stock exchange(s) where the shares of the Company are listed, namely the BSE Limited at www.bseindia.com and the National Stock Exchange of India Limited at www.nseindia.com, and on the website of the National Securities Depository Limited (**'NSDL'**) at https://www.evoting.nsdl.com/. Members holding shares in dematerialised form are requested to get their email address registered with the concerned depositories. Members holding shares in physical form and/or who have not registered/updated their email addresses, are requested to furnish their email address and mobile number with the Company's Registrar & Share Transfer Agent, KFin Technologies Private Limited, at einward.ris@kfintech.com with a copy to the Company at investor@iciciprulife.com to get their email address registered.

Further, Members are requested to quote their DP ID & Client ID / Folio No., in case shares are held in dematerialised / physical form, as the case may be, in all correspondence with the Registrar and Share Transfer Agent and/or the Company. The Company is providing the facility of remote e-voting to all its members to cast their votes on the resolution set forth in the Notice. The detailed procedure for remote e-voting will be provided in the Notice.

For ICICI Prudential Life Insurance Company Limited
Vyoma Manek
Company Secretary
ACS 20384

Mumbai
September 22, 2020

CG POWER AND INDUSTRIAL SOLUTIONS LIMITED

CIN NO: L99999MH1937PLC002641
Registered Office: 6th Floor, CG House, Dr. Annie Besant Road, Worli, Mumbai - 400 030
Tel No.: 022-2423 7777, **Fax No.:** 022 2423 7733
E-mail: investorservices@cgglobal.com, **Website:** www.cgglobal.com

Intimation regarding 83rd Annual General Meeting to be held through Video Conference ("VC")/Other Audio Visual Means ("OAVM")

The 83rd Annual General Meeting (**"AGM"** or **"Meeting"**) of the Company will be held through VC/OAVM on **Monday, 19 October 2020 at 03.00 p.m.** to transact the businesses that will be set forth in the Notice of the Meeting in compliance with all the applicable provisions of the Companies Act, 2013 and the Rules made thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with General Circular Nos. 14/2020, 17/2020 and 20/2020 dated 8 April 2020, 13 April 2020 and 5 May 2020 respectively, issued by the Ministry of Corporate Affairs (hereinafter collectively referred as **"MCA Circulars"**) and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12 May 2020 issued by the Securities and Exchange Board of India (**"SEBI Circular"**) and with the Order passed by the Registrar of Companies Maharashtra, Mumbai on 8 September 2020 for extending the time to hold the AGM for the financial year ended 31 March 2020. The venue of the Meeting shall be deemed to be the Registered Office of the Company i.e. 6th Floor, CG House, Dr. Annie Besant Road, Worli, Mumbai-400 030.

In compliance with the above circulars, electronic copies of the Notice of AGM and the Annual Report for the Financial Year 2019-20 will be sent to all the Shareholders whose email addresses are registered with the Company/Depository Participant(s)/ Registrar and Share Transfer Agent of the Company. The Notice of the AGM and the Annual Report for the Financial Year 2019-20 will also be available on the Company's website at www.cgglobal.com and on the website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited and on the website of National Securities Depository Limited ("**NSDL**") at *www.evoting.nsdl.com*.

Manner of registering/updating email addresses:

i) In case shares are held in physical mode please send a request by email to the RTA at cginvestors@datamaticsbpm.com by providing Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card).
ii) In case shares are held in demat mode, the Members are requested to register/update their email address, PAN and Bank Account details with the Depository Participant where their respective dematerialised accounts are maintained.

Manner of casting vote through e-voting:

Members will have an opportunity to cast their votes remotely on the businesses as set forth in the Notice of AGM through e-voting system.

The login credentials for casting the votes through e-voting shall be available to the Members through email after successfully registering their email addresses in the manner provided above.

The detailed procedure for casting the votes through e-voting shall be provided in the Notice of the AGM. The details will also be made available on the website of the Company.

This notice is issued for the information and benefit of all the Members of the Company in compliance with the MCA Circulars and SEBI Circular.

For CG Power and Industrial Solutions Limited

Alen Ferns
Company Secretary and Compliance Officer
Membership No. ACS 30633

Mumbai, 21 September 2020

The Karur Vysya Bank Ltd.,
DIVISIONAL OFFICE, No.6, 3rd Floor,
Opp: Metro Pillar No: 80, Pusa Road,
Karolbagh, New Delhi – 110 005

KVB Karur Vysya Bank Smart way to bank

Possession Notice

(For Immovable Property)

Issued under Rule 8(1)] of Security Interest (Enforcement) Rules, 2002

Whereas, the undersigned being the Authorized officer of THE KARUR VYSYA BANK LIMITED under the Securitisation & Reconstruction of Financial Assets And Enforcement of Security Interest (Second) Act, 2002 (Act 54 of 2002) and in exercise of powers conferred under section 13(12) read with Rule 3 of the Security Interest (Enforcement) Rules, 2002 issued a demand notice dated **09.03.2020** calling upon the borrower **(1) M/s Growing Overseas Pvt Ltd,** Ground Floor Kh No-15/3, Gali No-9, Main Shiv Mandir Road, Block-F, Swarop Nagar, Delhi – 110 042; **(2) Mr. Gaurav Mehra,** S/o Mr. Ranveer Mehra, R /O No-47, Second Floor, Gali No-1, Shastri Park,Krishna Nagar, Delhi – 110 092; **(3) Mr. Deepak Kumar,** S/o Mr. Suresh Kumar, R/O R-71, Pratap Vihar, Ghaziabad- 201 001; **(4) Mr. Naresh Tayal,** S/o Ram Dhari Tayal, C-35, Nehru Road, Near Mother Dairy, Adarsh Nagar, Delhi 110 033 and **(5) Mrs. Sapna Tayal**, W/o Naresh Tayal, C-35, Nehru Road, Near Mother Dairy, Adarsh Nagar, Delhi 110 033 to repay the amount mentioned in the notice being **Rs.95,84,500.28 (Rupees Ninety Five Lakhs Eighty Four Thousand Five Hundred and Paisa Twenty Eight only)** within 60 days from the date of receipt of the said notice.

The borrower having failed to repay the amount, notice is hereby given to the borrower and the public in general that the undersigned has taken possession of the property described herein below in exercise of powers conferred on him under sub-section (4) of section 13 of Act read with Rule 8 of the Security Interest Enforcement) Rules, 2002 on this the **19th day of September of the year 2020;**

The borrower in particular and the public in general is hereby cautioned not to deal with the property and any dealings with the property will be subject to the charge of THE KARUR VYSYA BANK LIMITED for an amount of **Rs.95,84,500.28 (Rupees Ninety Five Lakhs Eighty Four Thousand Five Hundred and Paisa Twenty Eight only)** and interest thereon.

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

Description of the Immovable Property

Entire residential built up at First Floor (with roof rights) at situated at C-35, Khasra No-262/258/217/4 Hudbast No- 50, Village Bharola, Adarsh Nagar, Delhi – 110 033 and bounded on :

Nort : 30" wide Road Below South : Property No- C-34
East : 15" wide Road Below West : Remaining portion of said property

Place: Delhi Chief Manager & Authorized Officer
Date : 19.09.2020 THE KARUR VYSYA BANK LIMITED

FORM NO. CAA. 2

[Pursuant to Section 230 (3) and rule 6 and 7)]

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, CHANDIGARH BENCH
CA Nos. 162/2020 & 163/2020 in CA(CAA) No. 4/Chd/Pb/2020

In the matter of sections 230 to 232 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and in the matter of Scheme of Amalgamation between Hansvahini Auto Interior Private Limited(Transferor Company 1) and RSLH Auto Seat Trims Private Limited (Transferor Company 2) and Comfort Trims Private Limited (Applicant Company / Transferor Company 3) with HH Interior & Auto Components Limited (Transferee Company)

Comfort Trims Private Limited
A company incorporated under the Companies Act, 1956
having its registered office at D-36, Focal Point, Nabha, Patiala, Punjab - 147201
(CIN: U50400PB2012PTC049809)

...Applicant Company/ Transferor Company 3

NOTICE AND ADVERTISEMENT OF NOTICE OF THE MEETING OF UNSECURED CREDITORS OF COMFORT TRIMS PRIVATE LIMITED, APPLICANT COMPANY

Notice is hereby given that the Hon'ble Chandigarh Bench of the National Company Law Tribunal by an order dated July 24, 2020 has directed to reschedule the meeting of unsecured creditors of Comfort Trims Private Limited (which was originally scheduled on Saturday, April 18, 2020 and was postponed in view of Pandemic COVID 19) for the purpose of considering, and if thought fit, approving with or without modification(s), the Scheme of Amalgamation under section 230 to 232 of Companies Act, 2013.

In pursuance of the said Order and as directed there in, the meeting of the Unsecured creditors of the Applicant Company (**"Tribunal Convened Meeting"**) will be held as follows, at which place, date and time and the said Unsecured Creditors of the Applicant Company are requested to attend.

Sl. No.	Meeting	Day, Date and Time	Venue
1.	Unsecured Creditors	Friday, November 06, 2020 at 03:00 P.M.	Hotel Clarion Inn Amps, Main Sirhind Road, Patiala-147001

Copies of the said Scheme and Explanatory Statement along with the Form of Proxy can be obtained free of charge at the Registered Office of the Applicant Company. Persons entitled to attend and vote at the Tribunal Convened Meeting, may vote in person or by proxy, provided that all proxies in the prescribed form are deposited at the Registered Office of the Applicant Company at D-36, Focal Point, Nabha, Patiala, Punjab - 147201, not later than 48 hours before the aforesaid Tribunal Convened Meeting.

The NCLT has appointed Mr. Sanjay Bansal, Advocate as the Chairperson and Mr. Alok Kumar Jain, Advocate as the Alternate Chairperson and Mr. Jatin Singhal, Company Secretary as the Scrutinizer of the said Tribunal Convened Meeting. The abovementioned Scheme, if approved at the Tribunal Convened Meeting, will be subject to the subsequent approval of the NCLT.

Sd/- **P. Baranwal** Authorised Representative Comfort Trims Private Limited

Sd/- **Sanjay Bansal** Chairperson appointed for the meeting

Date: 22/09/2020
Place: Patiala

INDIAN TONERS & DEVELOPERS LIMITED

(CORPORATE IDENTIFICATION NUMBER : L74993UP1990PLC015721)
Regd. Office: 10.5 Km Milestone, Rampur Bareilly Road, Rampur - 244 901 (U.P.)
E-Mail ID - info@indiantoners.com, Website: www.indiantoners.com
Phone No. 0595-2356271 Fax No. 0595-2356273

NOTICE FOR LOSS OF SHARES

Notice is hereby given that the following share certificate(s) have been reported as lost/stolen/misplaced/not traceable and the registered holder(s) has/have applied to the company for issue of duplicate share certificates.

Folio No.	Certificate No.	Distinctive Nos From	Distinctive Nos To	No. of Shares	Name of Shareholder
9084	21984	3399101	3399200	100	Suresh Kumar Mittal

Any person(s) who has/have any claim in respect of these share certificates should write to the company at the address given above within 15 days from the date of publication of this notice. In case where no objection is received within 15 days, the company will proceed to issue duplicate share certificates. The public is hereby warned against purchasing or dealing in anyway with the above share certificates.

For **Indian Toners & Developers Limited**
Sd/-
(S.C. SINGHAL)
COMPANY SECRETARY

Place: New Delhi
Date: 21.09.2020

BEEKAY NIRYAT LIMITED

Regd. Office: SP - 825, Road No. 14, V K I Area, Jaipur -302013
Corporate Office: 9, Hungerford Street, Kolkata-700017
Tel.: 033-2280-4442; Fax: 033-30235391; E: beekayniryat1975@gmail.com
CIN: L67120RJ1975PLC045573; W: bkn.bajoriagroup.in

Extract of the Un-audited Financial Results of the Company for the Quarter ended 30th June, 2020

(Amt in Lakhs)

S. No.	Particulars	Quarter ended 30.06.2020 (Un-Audited)	Quarter ended 31.03.2020 (Audited)	Corresponding Quarter ended 30.06.2019 (Un-Audited)	Year ended 31.03.2020 (Audited)
1.	Total Income from Operations	-	14.79	102.45	191.31
	Other Income	3.19	82.55	3.39	94.93
	Total Revenue	3.19	97.34	105.84	286.24
2.	Net Profit / (Loss) for the period (before Tax, Exceptional and/or Extraordinary items)	(2.14)	63.83	(2.43)	55.68
3.	Net Profit / (Loss) for the period before tax (after Exceptional and/or Extraordinary items)	(2.14)	63.83	(2.43)	55.68
4.	Net Profit / (Loss) for the period after tax (after, Exceptional and/or Extraordinary items)	(2.14)	49.16	(2.43)	41.01
5.	Total Comprehensive Income for the period [Comprising Profit / (Loss) for the period (after tax) & Other Comprehensive Income (after tax)]	(2.14)	49.16	(2.43)	(20.78)
6.	Equity Share Capital	768.42	768.42	768.42	768.42
7.	Reserves (excluding Revaluation Reserve as shown in the Audited Balance Sheet of the previous year)	-	-	-	-
8.	Earnings Per Share (of Rs. 10/- each) (for continuing and discontinued operations)				
	1.Basic:	(0.03)	0.64	(0.03)	0.53
	2.Diluted:	(0.03)	0.64	(0.03)	0.53

Notes:
(a) The above is an extract of the detailed format of quarterly Un-audited Financial Results filed with the Stock Exchange under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the quarterly Un-audited Financial Results is available on the website of the Stock Exchange (www.bseindia.com) and also on the Company's website (bkn.bajoriagroup.in).
(b) The above Un-audited financial results for the quarter ended on 30th June, 2020 were reviewed and recommended by the Audit committee and thereafter approved by the Board of Directors in its meeting held on 14th September, 2020.
(c) Figures for the prior periods/years have been regrouped and/or classified wherever considered necessary.

For Beekay Niryat Limited
Sd/-
Sree Gopal Bajoria (Managing Director)
DIN: 01102078

Place: Jaipur
Date: 14.09.2020

FORM NO. CAA. 2

[Pursuant to Section 230 (3) and rule 6 and 7)]

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, CHANDIGARH BENCH
CA Nos. 162/2020 & 163/2020 in CA(CAA) No. 4/Chd/Pb/2020

In the matter of sections 230 to 232 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and in the matter of Scheme of Amalgamation between Hansvahini Auto Interior Private Limited (Applicant Company / Transferor Company 1) and RSLH Auto Seat Trims Private Limited (Transferor Company 2) and Comfort Trims Private Limited (Transferor Company 3) with HH Interior & Auto Components Limited (Transferee Company)

Hansvahini Auto Interior Private Limited
A company incorporated under the Companies Act, 1956
having its registered office at D-36, Focal Point, Nabha, Patiala, Punjab - 147201
(CIN: U34300PB2012PTC049670)

...Applicant Company/ Transferor Company 1

NOTICE AND ADVERTISEMENT OF NOTICE OF THE MEETING OF UNSECURED CREDITORS OF HANSVAHINI AUTO INTERIOR PRIVATE LIMITED, APPLICANT COMPANY

Notice is hereby given that the Hon'ble Chandigarh Bench of the National Company Law Tribunal by an order dated July 24, 2020 has directed to reschedule the meeting of unsecured creditors of Hansvahini Auto Interior Private Limited (which was originally scheduled on Saturday, April 18, 2020 and was postponed in view of Pandemic COVID 19) for the purpose of considering, and if thought fit, approving with or without modification(s), the Scheme of Amalgamation under section 230 to 232 of Companies Act, 2013.

In pursuance of the said Order and as directed there in, the meeting of the Unsecured creditors of the Applicant Company (**"Tribunal Convened Meeting"**) will be held as follows, at which place, date and time and the said Unsecured Creditors of the Applicant Company are requested to attend.

Sl. No.	Meeting	Day, Date and Time	Venue
1.	Unsecured Creditors	Friday, November 06, 2020 at 11:00 A.M.	Hotel Clarion Inn Amps, Main Sirhind Road, Patiala-147001

Copies of the said Scheme and Explanatory Statement along with the Form of Proxy can be obtained free of charge at the Registered Office of the Applicant Company. Persons entitled to attend and vote at the Tribunal Convened Meeting, may vote in person or by proxy, provided that all proxies in the prescribed form are deposited at the Registered Office of the Applicant Company at D-36, Focal Point, Nabha, Patiala, Punjab - 147201, not later than 48 hours before the aforesaid Tribunal Convened Meeting.

The NCLT has appointed Mr. Sanjay Bansal, Advocate as the Chairperson and Mr. Alok Kumar Jain, Advocate as the Alternate Chairperson and Mr. Jatin Singhal, Company Secretary as the Scrutinizer of the said Tribunal Convened Meeting. The abovementioned Scheme, if approved at the Tribunal Convened Meeting, will be subject to the subsequent approval of the NCLT

Sd/- **P. Baranwal** Authorised Representative Hansvahini AutoInterior Private Limited

Sd/- **Sanjay Bansal** Chairperson appointed for the meeting

Date: 22/09/2020
Place: Patiala

FORM NO. CAA. 2

[Pursuant to Section 230 (3) and rule 6 and 7)]

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, CHANDIGARH BENCH
CA Nos. 162/2020 & 163/2020 in CA(CAA) No. 4/Chd/Pb/2020

In the matter of sections 230 to 232 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and in the matter of Scheme of Amalgamation between Hansvahini Auto Interior Private Limited (Transferor Company 1) and RSLH Auto Seat Trims Private Limited (Applicant Company / Transferor Company 2) and Comfort Trims Private Limited (Transferor Company 3) with HH Interior & Auto Components Limited (Transferee Company)

RSLH Auto Seat Trims Private Limited
A company incorporated under the Companies Act, 1956
having its registered office at D-37, Focal Point, Nabha, Patiala, Punjab - 147201
(CIN: U74999PB2013PTC049784)

...Applicant Company/ Transferor Company 2

NOTICE AND ADVERTISEMENT OF NOTICE OF THE MEETING OF UNSECURED CREDITORS OF RSLH AUTO SEAT TRIMS PRIVATE LIMITED, APPLICANT COMPANY

Notice is hereby given that the Hon'ble Chandigarh Bench of the National Company Law Tribunal by an order dated July 24, 2020 has directed to reschedule the meeting of unsecured creditors of RSLH Auto Seat Trims Private Limited (which was originally scheduled on Saturday, April 18, 2020 and was postponed in view of Pandemic COVID 19) for the purpose of considering, and if thought fit, approving with or without modification(s), the Scheme of Amalgamation under section 230 to 232 of Companies Act, 2013.

In pursuance of the said Order and as directed there in, the meeting of the Unsecured creditors of the Applicant Company (**"Tribunal Convened Meeting"**) will be held as follows, at which place, date and time and the said Unsecured Creditors of the Applicant Company are requested to attend.

Sl. No.	Meeting	Day, Date and Time	Venue
1.	Unsecured Creditors	Friday, November 06, 2020 at 1:00 P.M.	Hotel Clarion Inn Amps, Main Sirhind Road, Patiala-147001

Copies of the said Scheme and Explanatory Statement along with the Form of Proxy can be obtained free of charge at the Registered Office of the Applicant Company. Persons entitled to attend and vote at the Tribunal Convened Meeting, may vote in person or by proxy, provided that all proxies in the prescribed form are deposited at the Registered Office of the Applicant Company at D-37, Focal Point, Nabha, Patiala, Punjab - 147201, not later than 48 hours before the aforesaid Tribunal Convened Meeting.

The NCLT has appointed Mr. Sanjay Bansal, Advocate as the Chairperson and Mr. Alok Kumar Jain, Advocate as the Alternate Chairperson and Mr. Jatin Singhal, Company Secretary as the Scrutinizer of the said Tribunal Convened Meeting. The abovementioned Scheme, if approved at the Tribunal Convened Meeting, will be subject to the subsequent approval of the NCLT.

Sd/- **P. Baranwal** Authorised Representative RSLH Auto Seat Trims Private Limited

Sd/- **Sanjay Bansal** Chairperson appointed for the meeting

Date: 22/09/2020
Place: Patiala

PUBLIC NOTICE

General Public is hereby informed that my client **Smt. Shanti Devi** W/o Late Ram Kishan Sharma R/o T-664/A, 2nd Floor, Gali No.21, Durga Mohalla, Baljeet Nagar, New Delhi-08, have debarred her sons **Raj Kumar Sharma** R/o Inder Enclave, PH-2, Budh Nagar, Kirari Suleman Nagar, New Delhi & **Vijay Kumar Sharma** R/o T-664/A, Ground Floor, Gali-21, Durga Mohalla, Baljeet Nagar, New Delhi-08 due to their misbehavior, disobedient, illegal activities from all of my client's moveable, immovable assets & ceased all relations with them. It is further declared that any person whosoever deals with them shall do that entirely at his/her/their own risks, costs & responsibility & my client shall not be responsible for dealing with them if any person do so. **R.K. Tiwari** (Advocate) **169**, Patiala House Courts, Delhi.

PUBLIC NOTICE

I Anil Kumar Lost My Share Certificate of The Company Stovec Industries Limited Whoever Find The Certificate please Inform Me On My Number. Using of That Certificate If Found Would Be Legally Offencable. Details of Certificate As Mention Below : **Certificate Number - 15136 & 23292 Distinctive Number - (1003998-1004037 & 1235701 - 1235721) folio No. A000625**
Share Holder Name - **Anil Kumar**
Mobile No.-9818311100

PUBLIC NOTICE

My Client Saroj Arora, D/o Sh. Hans Raj Arora, R/o WA-170, Gali No 5, Near Hanuman Mandir, Ganesh, Nagar-2, Shakarpur, Delhi -110092 has lost her original property documents of the above said property registered GPA no.24719 on dated 18/09/2020 at when she went to Karkardooma Courts premises and in this regard she also lodged a NCR, vide S.O No. 430/2014 LR No:590733/2020 on dated 21/09/2020.
Umesh Kr. Pal (Advocate)
Ch. No. E-612, 6th Floor,
Karkardooma Court, Delhi

EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED
CIN: U67100MH2007PLC174759
Retail Central Office - 1st Floor, Edelweiss House, Off CST Road, Kalina, Mumbai 400098.
Regd.Office : Edelweiss House, Off CST Road, Kalina, Mumbai 400098.

Edelweiss Asset Reconstruction

APPENDIX IV [rule-8(1)] POSSESSION NOTICE (for Immovable property)

Whereas the Authorized Officer of the Magma Housing Finance Limited **("MHFL")** mentioned below, under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (Act), 2002 and in exercise of powers conferred under Section 13(12) read with (Rule 3) of the Security Interest (Enforcement) Rules, 2002 issued demand notice as mentioned below calling upon the borrowers to repay the amount mentioned in the notice within 60 days from-the date of receipt of the said notice.

Thereafter, MHFL have assigned the financial assets to **Edelweiss Asset Reconstruction Company Limited** acting in its capacity as trustee of trustee **EARC TRUST SC-370** mentioned below (hereinafter referred as **"EARC").** Pursuant to the assignment agreement dated 29.03.2019 under Sec.5 of SARFAESI Act, 2002, **EARC** has stepped into the shoes of the Assignor and all the rights, title and interests of Assignor with respect to the financial assets along with underlying security interests, guarantees, pledges have vested in **EARC** in respect of the financial assistance availed by the Borrower and **EARC** exercises all its rights as the secured creditor.

The borrower having failed to repay the amount, notice is hereby given to the borrower and the public in general that the undersigned being the Authorised Officer of **Edelweiss Asset Reconstruction Company Limited** has taken possession of the property described herein below in exercise of powers conferred on him under sub-section (4) of section 13 of Act read with rule 8 of the Security Interest Enforcement) Rules, 2002 on the date mentioned against each property.

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

The borrower in particular and the public in general is hereby cautioned not to deal with the property and any dealings with the property will be subject to the charge of the **Edelweiss Asset Reconstruction Company Limited** for the amount mentioned below and interest thereon.

Name of the Selling Institution/Assignor	Trust Name	Loan Account Number	Borrower Name & Co-Borrower(s) Name	Amount & Date of Demand Notice	Date of Possession	Possession Status
Magma Housing Finance Limited ("MHFL")	EARC TRUST SC-370	HL/0245/H/16/10 0047)	Mr Deep Chaddha (Borrower), Mrs Kavita Chaddha (Co-borrower)	Rs.25,69,678.23/- & 21.01.2020	16.09.2020	Physical Possession
Property Description : All that Piece and Parcel of Property Being Land Admeasuring Area 252 Sq.Yrds Or 210 Sq Mt. Out Of Total Measuring Area 504 Sq Yard, Khasra No. 417, Village-Lakhanwali, Pargana-Dadri, Tahsil & District, Gautam Buddh Nagar, U.P.-201304.**Property Bounded As: East:** Plot Of Giraj Singh, **West:** Plot Of Jai Singh, **North:** Plot Of Gopal, **South:** 15 Feet Wide Road.						
Magma Housing Finance Limited ("MHFL")	EARC TRUST SC-370	HL/0245/H/15/10 0011)	Mrs.Sarita (borrower), Mr.Surender Kumar (Co-borrower/Guarantor),M/s. S. K. Sales (Co-Borrower/Guarantor)	Rs.21,86,602.28/- & 21.01.2020	16.09.2020	Physical Possession
Property Description : All that Piece and Parcel of Property Being Plot No. 35, Measuring Area 111.25 Sq Yards Or Builtup Area 93.01 Sq Mt, Out Of Khasra No. 1017 & 1013, Situtated At Residencial Colony Prem Vihar , Village-Chaprola, Pargana & Tehsil Dadri, District, Gautam Buddh Nagar, U.P.-201301.**Property Bounded As: East :** Road 15 Ft –Wide, Bhuja 44 Ft 5 Inch, **West:** Plot No -36 Bhuja 44 Ft 5 Inch, **North:** Road 25 Ft Wide, Bhuja 22 Ft 5 Inch, **South:** Plot No 34 Bhuja 22 Ft 5 Inch.						

Place: Mumbai **Sd/- Authorized Officer**
Date: 22.09.2020 **Edelweiss Asset Reconstruction Company Limited**

EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED
CIN: U67100MH2007PLC174759
Retail Central Office : 1st Floor,Edelweiss House, Off CST Road, Kalina, Mumbai 400098.
Regd.Office : Edelweiss House, Off CST Road, Kalina, Mumbai 400098

Edelweiss Asset Reconstruction

DEMAND NOTICE

Under Section 13(2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, ("The Act") read with rule 3 (1) of the Security Interest (Enforcement) Rules 2002.

The undersigned being the authorized officer of the **Edelweiss Asset Reconstruction Company Limited ("EARC")** under the Securitisation and reconstruction of financial assets and enforcement of security interest act, 2002. In exercise of powers conferred under the section 13 (12) of the act read with rule 3 of the security interest (enforcement) rules, 2002, the Authorised officer has issued demand notice under section 13 (2) of the act, calling upon the following borrower(s), to repay the amounts mentioned in the respective demand notice issued to them that are also given below. In connection with above, notice is hereby given once again, to the borrower(s) to pay EARC, within 60 days from the publication of this notice, the amounts indicated herein below, together with further interest as detailed in the said demand notice, from the date(s) mentioned below till the date of payment and/or realization, payable under the loan agreement read with other documents/writings, if any, executed by the said borrower(s). As security for due repayment of the loan, the following asset have been mortgaged to EARC by the said borrower(s) respectively.

S No	Name of the Borrower(s) / Co-Borrower (s) / Loan Account Number	Demand Notice Date & Amount	Details of the Trust & Assignor
1	Amit Kamboj (Borrower) / Praveen Kumari ("Co-Borrower") **Loan A/c Number:** 1443249 and **Loan Code Number** (286-00000859)	01.09.2020 & Rs 24,32,884.75/-	EARC TRUST SC-371& Dewan Housing Finance Limited
	Description of secured asset (Immovable Property) : All That Piece And Parcel Of The Mortgaged Property /Plot, Bearing Municipal Permanent Property Id • No. 258Ci93U227, Measuring 206 Sq. Yards, Comprising In Khasra No. 38//5/2, 4, 3, 17, 33//23, 33/124, 38//7, 33//17, 38/18, 13, 33//13, 38//18, 33/8, 38//26, 33//11,20, 21, 38/11, 9, 10, 12, 33//12, 19,' 22, 38//2/1, 2/2, Situated At Mouja Ratoli, Now Known As "Basant Vihar", Yamuna Nagar, Tehsil- Jagadhri, District - Yamuna Nagar Haryana -135001.**Bounded As Under:- North :** 35" Street . **South :** 35 Property of Others . **East :** 53' House of Amit Singh. **West :** 53' Property of Others		
2	Parmod Kumar (Borrower) / Poonam ("Co-Borrower") / Ankit Rana ("Guarantor") **Loan A/c Number:** 1448955 and **Loan Code Number** (286-00000918)	01.09.2020 & Rs 24,17,133.37/-	EARC TRUST SC-371& Dewan Housing Finance Limited
	Description of secured asset (Immovable Property) : All That Piece And Parcel Of The Mortgaged Property Southern Part Of Plots No. 91 & 92, Bearing Municipal Permanent Property Id No. 102C193U259, Measuring 199 Sq. Yards, Comprising In Khatoni No. 1545, Khewat No. 1297 Khasra No. 46//7/1,8 Ktte 2 Rakba 13 Kannal 6 Marle Part 13/532, About 6 Marle 4 Sarsiaya Or 199 Sq Yrds, Situated At Mouja Jagadhri, Now Known As Udamgarh Ki Tappriya, Jagadhri, Tehsil - Jagadhri, District- Yamuna Nagar, Within Municipal Corporation Yamuna Nagar-Jagadhri. **Bounded As Under:- North:** 26' -5" Plot Of Other, **South :** 26' -5" **East:** 67' -8" Street **West :** 68'-2" Plot Of Others.		
3	Chander Kant Chawla (Borrower) / Hema Rani ("Co-Borrower") **Loan A/c Number:** 1477855 and **Loan Code Number** (286-00001082)	09.09.2020 & Rs 12,73,621/-	EARC TRUST SC-371& Dewan Housing Finance Limited
	Description of secured asset (Immovable Property) : All That Piece And Parchel of Mortagage Property Bearing Northern Part Plot No.152, Property Id No.236C1265U87, Measuring Area North To South 36 Ft, East To West 15 Ft, Kehwat No 50 Katoni No 55,Kashra No 235, Situtated At Moja Gobindpura,Tehsil Jagadhari, District Yamuna Nagar, Harayana, 135001. **Bounded As Under North:** House of Ramesh Kumar. **South:** House of Rajesh Kumar. **East :** Remaining Part of Plot. **West:** Common Road.		
4	Rakesh Kumar (Borrower) / Reena ("Co-Borrower") **Loan A/c Number :** 1341248 and **Loan Code Number** (286-00000326)	09.09.2020 & Rs 10,67,350.96/-	EARC TRUST SC-371& Dewan Housing Finance Limited
	Description of secured asset (Immovable Property) : All That Piece and Parcel of The Mortgaged Property/ Part of Plot No. 28 , Khewat No. 396, Khatoni No.454, Khasra No.44//3,9 Area Measuring 105.55 Sq Yrds (3.5 Marla), Situated At Moja Chhachhrauli, H B -311, Within The Revenue Estate of Gandhi Nagar, Kheri Road Tehsil- Chhachhrauli, District Yamuna Nagar Haryana. **Bounded By:- North:** Plot of Babita Devi. **South :** Plot of Others. **East :** Plot of Others. **West :** Gali 20 Ft Wide.		

If the said borrowers shall fail to make payment to EARC as aforesaid, EARC shall proceed against the above secured assets under the section 13(4) of the act and applicable rules, entirely at the risks of the said borrower(s) as to costs and consequences. The borrowers are prohibited under the act from transferring the aforesaid assets, whether by way of sale, lease or otherwise without the prior written consent of EARC. Any person who contravenes or abets contravention of the provisions of the act or rules made thereunder, shall be liable for imprisonment and/or penalty as provided under the act.

Date: 22.09.2020 **Sd/- Authorized Officer**
Place: Mumbai **For Edelweiss Asset Reconstruction Company Limited**

HDB FINANCIAL SERVICES

REGISTERED OFFICE: RADHIKA,2ND FLOOR, LAW GARDEN ROAD, NAVRANGPURA, AHEMDABAD, GUJRAT, PIN CODE: 380009
BRANCH OFFICE: HDB FINANCIAL SERVICES LIMITED, 19, PANCHKUIAN NAGAR, BHARAT NAGAR, PAHARGANJ, NEW DELHI-110001

POSSESSION NOTICE

WHEREAS, THE AUTHORISED OFFICER OF HDB FINANCIAL SERVICES LIMITED UNDER THE SECURITIZATION AND RECONSTRUCTION OF FINANCIAL ASSESTS AND ENFORCEMENT OF SECURITY INTEREST ACT, 2002 (64 OF 2002) AND IN EXERCISE OF POWERS CONFERRED UNDER SECTION 13(12) READ WITH RULES 3 OF THE SECURITY INTEREST (ENFORCEMENT) RULES, 2002 ISSUED DEMAND NOTICE TO THE BORROWER/S AS DETAILED HEREUNDER, CALLING UPON THE BORROWER TO REPAY THE AMOUNT MENTIONED IN THE SAID NOTICE WITH ALL COSTS, CHARGES AND EXPENSES TILL ACTUAL DATE OF PAYMENT WITHIN 60 DAYS FROM THE DATE OF RECEIPT OF THE SAME. THE SAID BORROWER/CO-BORROWERS HAVING FAILED TO REPAY THE AMOUNT, NOTICE IS HEREBY GIVEN TO BORROWER/CO-BORROWERS AND THE PUBLIC IN GENERAL THAT THE UNDERSIGNED IN EXERCISE OF POWERS CONFERRED ON IT UNDER SECTION 13(4) OF THE SAID ACT R/W RULE 8 OF THE SAID RULES HAS TAKEN SYMBOLIC POSSESSION OF THE PROPERTY DESCRIBED HEREUNDER ON THE DATE MENTIONED ALONGWITH. THE BORROWERS IN PARTICULAR AND PUBLIC IN GENERAL ARE HEREBY CAUTIONED NOT TO DEAL WITH THE PROPERTY AND ANY DEALINGS WITH THE PROPERTY WILL BE SUBJECT TO THE CHARGE OF HDB FINANCIAL SERVICES LIMITED FOR THE AMOUNT SPECIFIED HEREIN WITH FUTURE INTEREST, COSTS AND CHARGES FROM THE RESPECTIVE DATE.

DETAILS OF BORROWER/CO-BORROWERS/GUARANTORS, LOAN ACCOUNT NUMBER, LOAN AMOUNT, DETAILS OF SECURITY, DATE OF DEMAND NOTICE, CLAIMED AMOUNT, DATE OF POSSESSION ARE GIVEN HEREIN BELOW

S. NO.	1) NAME AND ADDRESS OF THE BORROWER/CO-BORROWER/GUARANTOR; 2) LOAN ACCOUNT NUMBER; 3) LOAN AMOUNT; 4) DETAILS OF SECURITIES; 5) DATE OF DEMAND NOTICE; 6) CLAIMED AMOUNT IN INR; 7) DATE OF POSSESSION
1.	1) NAME AND ADDRESS OF THE BORROWER/CO-BORROWER/GUARANTOR: Guru Sangat Singh And Lakhvinder Kaur Landa At: House No F-9/10, First Floor, Malviya Nagar Near Metro Station New Delhi-110017; Daler Singh, Davinder Kaur And Hira Singh All At: House No F-5/7 Malviya Nagar New Delhi-110017; 2) Loan Account no.: 1377603; 3) LOAN AMOUNT: Rs.77,00,000/- (Rupees Seventy Seven Lakhs Only); 4) DETAILS OF SECURITY: All that piece and parcel of the entire first floor of the property bearing No. F-9/10, area measuring 126 sq yds. situated at Malviya, New Delhi. Said Property duly registered document no 1194, in Book No I, Volume No 969, Page No 68 -76 registered on 10.03.2015 ; 5) DATE OF DEMAND NOTICE: 22.06.2020; 6) CLAIMED AMOUNT (IN INR): Rs.1,01,11,676.57 (Rupees One Crore One Lakh Eleven Thousand Six Hundred Seventy Six And Paise Fifty Seven) as of 09.06.2020 and future contractual interest till actual realization together with incidental expenses, cost and charges etc. 7) DATE OF POSSESSION: 18.09.2020
2.	1) NAME AND ADDRESS OF THE BORROWER/CO-BORROWER/GUARANTOR; Mohd Sajid, Mohd Afsar And Afsara Begum All At: H No 5966/86 F F Abdul Kalan Nawab Road Basti Harphool Singh Near Sadar Thana Delhi-110006; 2) Loan Account No. 2555010; 3) LOAN AMOUNT: Rs. 50,84,730/- (Rupees Fifty Lakhs Eighty Four Thousand Seven Hundred Thirty Only) 4) DETAILS OF SECURITIES: All part and parcel of the Property No 1 - First floor Portion without Roof Right shop bearing No. 4159/13 on area 23 sq. Yds. main Road, Ward No XII, Pahari Dhiraj, Delhi. Owner of Property Apsara Begum Wife of Modh Sajid Property No 2 - All part and parcel of the Second floor portion with roof right of Property shop bearing No. 4159/13 on area 23 sq. Yds. main Road, Ward No XIII, Pahari Dhiraj, Delhi. Owner of Property Mohd. Sajid S/o Shri Abdul Kalam And Apsara Begum Wife of Mohd. Sajid.; 5) DATE OF DEMAND NOTICE: 15.06.2020.; 6) CLAIMED AMOUNT IN INR; Rs.35,67,616.38 (Rupees Thirty Five Lakh Sixty Seven Thousand Six Hundred Sixteen and Paise Thirty Eight) as of 09.06.2020 and future contractual interest till actual realization together with incidental expenses, cost and charges etc; 7) DATE OF POSSESSION : 19.09.2020
3.	1) NAME AND ADDRESS OF THE BORROWER/CO-BORROWER/GUARANTOR Amit Sachdeva, Lokesh Sachdeva and Kulbhushan Sachdeva all at House No. 7411, DLF Phase - IV, Gurgaon, Haryana 122002; 2) LOAN ACCOUNT NO. 495100 and 858811; 3) LOAN AMOUNT: Rs.60,89,357/- (Rupees Sixty Lakhs Eighty Nine Thousand Three Hundred Fifty Seven Only) by loan account number 495100 and Rs.12,55,795/- (Rupees Twelve Lakh Fifty Five Thousand Seven Hundred Ninety Five Only) by loan account number 858811; 4) DETAILS OF SECURITIES: Property No 1 All that piece and parcel of free hold property House No. 7411, DLF Phase - IV, Gurgaon, Haryana 122002 Measuring 225 Sq Mtrs in DLF City Phase -IV, Village Chakkarpur Gurgaon, Haryana, Sale Deed Register Kulbhushan Sachdeva (40%) , Lokesh Sachdeva (30%) and Amit Sachdeva (30%) PROPERTY BOUNDED AS: EAST: Road, WEST: Plot No 7605 , NORTH: Plot No 7409 ; SOUTH: Plot No 7413; 5) DATE OF DEMAND NOTICE; 22.06.2020.; 6) CLAIMED AMOUNT IN INR: (A) Bifurcation of Outstanding Amount as of 12.06.2020 for loan account number 495100 And (B) Bifurcation of Outstanding Amount as of 12.06.2020 for loan account number 858811 (A) + (B) i.e. Rs.91,82,822.72 (Rupees Ninety One Lakh Eighty Two Thousand Eight Hundred Twenty Two and Paise Seventy Two Only) as of 12th June 2020 and future contractual interest till actual realization together with incidental expenses, cost and charges etc. 7) DATE OF POSSESSION : 18.09.2020
4.	1) NAME AND ADDRESS OF THE BORROWER/CO-BORROWER/GUARANTOR; Kailash Overseas Co. Room No 40 A (TAJ Room) First Floor Coronation Building 206 Fateh Puri Chandni Chowk New Delhi New Delhi-110006; Parmeshwari Devi Joshi, 231 Second Floor Kohat Enclave Pitampura New Delhi New Delhi-110085; Keshu Ram House No 38 Meggha Sar Bikaner Rajasthan Bikaner-334001; Kailash Joshi 231 Kohat Enclave Second Floor Pitampura New Delhi New Delhi-110035; 2) LOAN ACCOUNT NO. 976552 and 3226390; 3) LOAN AMOUNT: Rs. 1,00,00,000/- (Rupees One Crore Only) by loan account number 976552 and to the tune of Rs.50,00,000/- (Rupees Fifty Lakhs Only) by loan account number 3226390 4) DETAILS OF SECURITIES; House No -432 Entire Third Floor Without Roof Right Kohat Enclave New Delhi New Delhi-110034; PROPERTY BOUNDED AS: EAST: Services Lane, WEST: Road 30Ft, NORTH: Plot No 431, SOUTH: Plot No 433; 5) DATE OF DEMAND NOTICE: 18.06.2020.; 6) CLAIMED AMOUNT IN INR: (A) Bifurcation of Outstanding Amount as of 18.06.2020 for loan account number 976552 And (B) Bifurcation of Outstanding Amount as of 16.06.2020 for loan account number 3226390 (A) + (B) i.e. Rs.1,27,37,958.66/- (Rupees One Crore Twenty Seven Lakh Thirty Seven Thousand Nine Hundred Fifty Eight and Paise Sixty Six Only) as of 18.06.2020 & 16.06.2020 and future contractual interest till actual realization together with incidental expenses, cost and charges etc; 7) DATE OF POSSESSION : 19.09.2020
5.	1) NAME AND ADDRESS OF THE BORROWER/CO-BORROWER/GUARANTOR; Rathi Trading Co At: Khasra No 38/3 Mundka Village New Delhi Delhi-110041, Also At: Wz-111-C Mukherjee Park Tilak Nagar Delhi-110018; Jai Sai Enterprises Property No 44 New No Rz-375 Gali No 06 Vishnu Garden Delhi-110018; Harish Chander Wz-64 Mukherjee Park Tilak Nagar Delhi-110018; Gulshan Kumar At: Wz-64 Mukherjee Park Tilak Nagar Delhi-110018; Rakesh Kumar At: Wz-64 Mukherjee Park Tilak Nagar Delhi-110018; Amit Rathi At: Wz-111-C Mukherjee Park Tilak Nagar Delhi-110018.; 2) LOAN ACCOUNT NO. 1237180 AND 3975667; LOAN AMOUNT: Rs.4350000 (Rupees Forty Three Lakhs Fifty Thousand Only) by loan account number 1237180 and to the tune of Rs.1900000 (Rupees Nineteen Lakhs Only) by loan account number 3975667 4) DETAILS OF SECURITIES: All that piece and parcel of Property Bearing No 44, New No 375, area measuring 100Sq. Out Of Khasra no 12/5/2, Situated in the area of village Khyala at the Abadi Known as Block -RZ, Vishnu Garden, New Delhi. PROPERTY BOUNDED AS: EAST: Plot No 44-A, WEST: Plot No 43, NORTH: Road, SOUTH: Gali; 5) DATE OF DEMAND NOTICE; 22.06.2020.; 6) CLAIMED AMOUNT IN INR: (A) Bifurcation of Outstanding Amount as of 12.06.2020 for loan account number 1237180 And (B) Bifurcation of Outstanding Amount as of 12.06.2020 for loan account number 3975667 (A) + (B) i.e. Rs.63,27,326.07 (Rupees Sixty Three Lakh Twenty Seven Thousand Three Hundred Twenty Six and Paise Seven Only) as of 12th June 2020 and future contractual interest till actual realization together with incidental expenses, cost and charges etc.; 7) DATE OF POSSESSION : 17.09.2020
6.	1) NAME AND ADDRESS OF THE BORROWER/CO-BORROWER/GUARANTOR; VIJAY SINGH, BHUPENDER SINGH, RANJIT KAUR & PARVEEN KUMARI All At House No D-4, Block -D, Om Vihar, Uttam Nagar Left Metro Pillar-700, Ground & First Floor New Delhi Delhi-110059.; 2) LOAN ACCOUNT NO. 635501; 3) LOAN AMOUNT: Rs.5955796 (Rupees Fifty Nine Lakhs Fifty Five Thousand Seven Hundred Ninety Six Only) 4) DETAILS OF SECURITIES: All that piece and parcel of free hold property - Ground & First Floor House No D-4, Block -D, Om Vihar, Uttam Nagar Left Metro Pillar-700, New Delhi Delhi-110059 Out Of Khasra No 962 to 964 Property Area 85Sq Yd total 170 Sq Yds Property Owner Ranjit Kaur . PROPERTY BOUNDED AS: EAST: Road, WEST: S/L, NORTH: Plot No-5 ; SOUTH: Part Of Property; 5) DATE OF DEMAND NOTICE : 17.6.2020, ; 6) CLAIMED AMOUNT IN INR: Rs. 5036067.31/- (Fifty Lacs Thirty Six Thousand Sixty Seven and Thirty One Paisa) as of 16.06.2020 and future contractual interest till actual realization together with incidental expenses, cost and charges etc.; 7) DATE OF POSSESSION : 17.09.2020
7.	1) NAME AND ADDRESS OF THE BORROWER/CO-BORROWER/GUARANTOR; RANBIR SINGH And SANTOSH DAHIYA, H No-29 Block-D Mangeram Park Budh Vihar, Out of khasra No 43-22, Village pooth Kalan New Delhi -110086.; LOAN ACCOUNT NO. 2243183; LOAN AMOUNT: Rs.9900000 (Rupees Ninety Nine Lakhs Only) 4) DETAILS OF SECURITIES: All that piece and parcel of plot No. 52 (New No. D-29), measuring 200 sq yds., out of Khasra No. 43/22, situated in the area of village pooth kalan, abadi known as mange Ram Park, Delhi. Sale Deed Registered Document No 11521 on 20.042004 Sub Registrar Delhi. PROPERTY BOUNDED AS: EAST: Road 30 ft., WEST:Gali 14 f , NORTH: Road 25 ft ; SOUTH: Gali 16 ft, 5) DATE OF DEMAND NOTICE ; 17.6.2020, ; 6) CLAIMED AMOUNT IN INR; Rs. 10157934.05/- (One Crore One Lakh Fifty Seven Thousand Nine Hundred Thirty Four and Five Paisa) as of 16.06.2020 and future contractual interest till actual realization together with incidental expenses, cost and charges etc.; 7) DATE OF POSSESSION : 19.09.2020
8.	1) NAME AND ADDRESS OF THE BORROWER/CO-BORROWER/GUARANTOR; Manish Soni At: A-119 2nd Floor Vivek Vihar Delhi-110095, Also Is At: M-181 Sector-3 Bawana Indl Area Delhi-110039, Also At: D-343, 2nd Floor Anand Vihar Delhi-110092; Soni Towel Stands Pvt Ltd At: M-181 Sector-3 Bawana Indl Area Delhi-110039; Monica At: A-119 2nd Floor Vivek Vihar Delhi-110095; Loan Account No. 143700; LOAN AMOUNT: Rs.50,00,000/- (Rupees Fifty Lakhs Only) 4) DETAILS OF SECURITIES; All that piece and parcel of free hold property Second & Third Floor, bearing No. D-343 (Plot no 343, In Block – D), situated Measuring area 125 Sq.Yds., situated in the layout plan of Railway Board Employees co-operative house building society ltd., colony known as Anand Vihar, Delhi – 110092. Along with the proportionate, undivided, indivisible and importable ownership right in the land underneath, with all its free hold right, titles and interest of the said property. Bounded as :- East: Road 30 ft wide; West: Service lane 15ft. wide ; North: Plot No. -D342 ; South: Service lane 15ft. wide. 5) DATE OF DEMAND NOTICE ; 11.6.2020, ; 6) CLAIMED AMOUNT IN INR; Rs.2,01,50,819.17 (Rupees Two Crore One Lakh Fifty Thousand Eight Hundred Nineteen and Paise Seventeen Only) as of 09.06.2020 and future contractual interest till actual realization together with incidental expenses, cost and charges etc.; 7) DATE OF POSSESSION : 21.09.2020

THE BORROWERS' ATTENTION IS INVITED TO PROVISIONS OF SUB-SECTION (8) OF SECTION 13 OF THE ACT, IN RESPECT OF TIME AVAILABLE, TO REDEEM THE SECURED ASSET.

FOR ANY QUERY PLEASE CONTACT MR. HARDEEP SABHARWAL(9654965496) / MR. VIKAS ANAND (9711010384)

Place : Delhi, DATE: 19.06.2020 SD/- For HDB Financial Services Limited, Authorised Officer

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EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED
CIN: U67100MH2007PLC174759
Retail Central Office : 1st Floor,Edelweiss House, Off CST Road Kalina, Mumbai 400098.
Regd.Office : Edelweiss House, Off CST Road, Kalina, Mumbai 400098

Edelweiss Asset Reconstruction

DEMAND NOTICE

Under Section 13(2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, ("The Act") read with rule 3 (1) of the Security Interest (Enforcement) Rules 2002.

The undersigned being the authorized officer of the **Edelweiss Asset Reconstruction Company Limited ("EARC")** under the Securitisation and reconstruction of financial assets and enforcement of security interest act, 2002. In exercise of powers conferred under the section 13 (12) of the act read with rule 3 of the security interest (enforcement) rules, 2002, the Authorised officer has issued demand notice under section 13 (2) of the act, calling upon the following borrower(s), to repay the amounts mentioned in the respective demand notice issued to them that are also given below. In connection with above, notice is hereby given once again, to the borrower(s) to pay EARC, within 60 days from the publication of this notice, the amounts indicated herein below, together with further interest as detailed in the said demand notice, from the date(s) mentioned below till the date of payment and/or realization, payable under the loan agreement read with other documents/writings, if any, executed by the said borrower(s). As security for due repayment of the loan, the following asset have been mortgaged to EARC by the said borrower(s) respectively.

S No	Name of the Borrower(s) / Co-Borrower (s) / Loan Account Number	Demand Notice Date & Amount	Details of the Trust & Assignor
1	Naresh Giri (Borrower) / Anita ("Co-Borrower") **Loan A/c Number:** 1218216 and **Loan Code Number** (286-00000080)	04.09.2020 & Rs 18,96,559.16/-	EARC TRUST SC-371& Dewan Housing Finance Limited
	Description of secured asset (Immovable Property) : All That Piece And Parcel of The Mortgaged Property/ Residential Plot No. 110, Khasra No 142/3 (Old) 142/7 (New) Measuring Area 832.50 Sq Ft Or 77.35 Sq Mtrds Situated At Shiv Vihar Colony, Village Dadupur Govindpur , Pargana Rudki Tehsil & District Haridwar Uttrakhand 249402. **Bounded and Measurment As Under:-East :** 18 Ft Land Other Person, **West :** 18 Ft And Wide 20 Ft Road, **North :** 46.25 Ft And Plot No.124, **South:** 46.25 Ft And Plot No .110		
2	Sumit Kumar (Borrower) / Ramdass ("Co-Borrower") **Loan A/c Number:** 1446183 and **Loan Code Number** (286-00000919)	09.09.2020 & Rs 17,35,854.51/-	EARC TRUST SC-371& Dewan Housing Finance Limited
	Description of secured asset (Immovable Property) : All That Piece And Parcel of The Mortgaged Property/Plot No 21, Khasra No.94 Measuring Area North To South 29 Ft , East To West 40 Ft Total 1160 Sq Ft Or 107.80 Sq Mtrs Situated At Ganpati Vihar, Village Begumpur, Pargana Roorkee Distrct- Haridwar, Uttarakhand, 249402. **Bounded As Under:-East :** Plot No 20, **West:** Plot No.22, **North:** Rasta 20 Ft Wide, **South :** Plot of other.		
3	Abdesh Kumar Gupta (Borrower) / Pooja Gupta ("Co-Borrower") **Loan A/c Number:** 1328455 and **Loan Code Number** (970-0005395)	09.09.2020 & Rs 16,69,897.28/-	EARC TRUST SC-371& Dewan Housing Finance Limited
	Description of secured asset (Immovable Property) : All That Piece And Parcel of The Mortgaged Property /Land Forming Part of Khata Khatoni No. 215 (Fasli Year 1420-1425), Khasra No. 1, Measuring 83.54 Sq. Mts. Situated At Mauza Hariyawala Khurd, Pargna Pachwadoon, District Dehra Doon Uttrakand- 248001. **Bounded And Butted As Under:-North :** 20 Ft. Wide Passage, **South :** Land Of Others, **East:** Land Of Gram Samaj, **West:** Land Of Others.		
4	Sudip Kumar (Borrower) / Sandeep ("Co-Borrower") **Loan A/c Number:** 1355820 and **Loan Code Number** (286-00000414)	09.09.2020 & Rs 14,70,401.24/-	EARC TRUST SC-371& Dewan Housing Finance Limited
	Description of secured asset (Immovable Property) : All That Property Forming A Residential Plot No. 53-B, Agri-Plot No. 26, Bearing Khasra No. 422 M, Measuring 800 Sq.Ft. or 74.35 Sq mtrs, Situated at Roshanabad Tehri Migrated Area, Yillage-Salempur Mehdood-I, Pargana-Roorkee, Tehsil & District-Hardwar, Outside the Limits of Municipal Corporation, Hardwar, Uttarakhand. **Bounded And Butted As Under:East:** Side Measuring 20 Ft :Agri-Plot No. 27. **West :** Side Measuring 20 Ft:Rasta 20 Ft. Wide. **North:** Side Measuring 40 Ft.:Plot No. 52. **South :** Side Measuring 40 Ft.: Plot No. 53-A.		
5	Anil Kumar (Borrower) / Mamta ("Co-Borrower") **Loan A/c Number:** 1330593 and **Loan Code Number** (286-00000354)	09.09.2020 & Rs 13,81,023.64/-	EARC TRUST SC-371& Dewan Housing Finance Limited
	Description of secured asset (Immovable Property) : All That Piece And Parcel Of The Mortgaged Property /A Residential. Plot No-56, T.H.D.C. Plot No 367, Khasra No-428M , Measuring Area North To South 34.5 Ft East To West 35 Ft, Total Area 1207.5 Sq Ft Or 112.22 Sq Mtrs, Situated At Gram Suman Nagar Pargana Roorkee, Tehsil Haridwar,Haridwar, Uttarakhand- 249407. **Bounded And Butted As Under:-North:** Plot Of Others. **South :** 30 Ft. Wide Road, **East:** Plot of others, **West:** 20 Ft. Wide Road.		
6	Arvindkumar Jaitwar (Borrower) / Abhilasha Jaitwar ("Co-Borrower") **Loan A/c Number:** 1200735 and **Loan Code Number** (286-00000015)	09.09.2020 & Rs 11,63,863.11/-	EARC TRUST SC-371& Dewan Housing Finance Limited
	Description of secured asset (Immovable Property) : All That Piece And Parcel Of The Mortgaged Property / A Residential Plot No.47, Khasra No.2143, Measuring Area East- 27 Ft. West- 27Ft. North 35 Ft South 35Ft. Total Area 945 Sq.Ft. Situated At Village Salempur Mehdood-2, Pargana Roorkee Tehsil & District Haridwa Uttrakhand 249403. **Bounded By:East-** Way ' 20 Ft. Wide.**West-** Plot No.34.**North-**Plot No.48.**South-**Plot No.46.		
7	Praveen Chauhan (Borrower) / Sharda ("Co-Borrower") **Loan A/c Number:** 1243646 and **Loan Code Number** (286-00000093)	09.09.2020 & Rs 9,25,728.29/-	EARC TRUST SC-371& Dewan Housing Finance Limited
	Description of secured asset (Immovable Property) : All That Piece And Parcel of The Mortgaged Property / A Residential Plot No.12 Part of Khasra No.94, Measuring East- 33Ft.9Inch, West- 33Ft.10Inch, North-18Ft. South-18Ft. Total Area 608 Sq.ft or 56.50 Sq.Mtr. Situated At Ganpati Vihar, Village Begumpur, Pargana Roorkee Tehsil & District Haridwar Uttrakhand.**Bounded East-** Plot No. 13.**West-**Plot No.11.**North-** Property Netram.**South-** Way 20 Ft. Wide.		
8	Kesav Prasad (Borrower) / Pooja ("Co-Borrower") **Loan A/c Number:** 1258539 and **Loan Code Number** (286-00000162)	09.09.2020 & Rs 7,48,712.18/-	EARC TRUST SC-371& Dewan Housing Finance Limited
	Description of secured asset (Immovable Property) : All That Piece And Parcel of The Mortgaged Property / A Residential Plot No. 3 Part of Khasra No.2018, Measuring East- 36 Ft. West- 36 Ft , North-20 Ft. South-20 Ft . Total Area 720 Sq.Ft. or 66.91 Sq.Mtr. Situated At Village Salempur Mehdood-2, Pargana Roorkee, Tehsil & District. Haridwar Uttrakhand. **Bounded By :East:** Way 18 Ft. Wide. **West :** Plot other Person.**North:** Plot No.04.**South:** Plot No.02.		
9	Kaushindar Singh (Borrower) / Rekha ("Co-Borrower") **Loan A/c Number:** 1165540 and **Loan Code Number** (197-00042378)	09.09.2020 & Rs 18,24,755.41/-	EARC TRUST SC-371& Dewan Housing Finance Limited
	Description of secured asset (Immovable Property) : All That Piece And Parcel Of The Mortgaged Propertuy/ Residential House Bearing No. K- 778, (Admeasuring 31.28 Sq. Meters), 2nd floor without Roof right , Situated At Sector-23, Sanjay Nagar, Pargana Loni, Tehsil & District Ghaziabad, Uttar Pradesh-201002. **Bounded as under:-East:** House no.777, **West:** House no.783, **North :** House no. 723, **South :** 25 ft wide road.		
10	Amit Raykwar (Borrower) / Rashmi Raykvar ("Co-Borrower") **Loan A/c Number:** 1753862 and **Loan Code Number** (190-00001999)	09.09.2020 & Rs 13,75,460.65/-	EARC TRUST SC-371& Dewan Housing Finance Limited
	Description of secured asset (Immovable Property) : All That Piece And Parcel of The Mortgaged Property/ Residential Plot Bearing No. 107, Khasra No. 34 Min , Total Area 71.78 Sq Yrds Or 60.01 Sq Mtrs, Situated at Saipuram ,Village & Pargana Dasna, Tihsil & District Ghaziabad, U.P. 201015. **Bounded As Under :- East;** Owner Of Other Property. **West :** 17 Ft Wide Road. **North ;** Plot No 108. **South :** Plot No.106.		
11	Deepanshu Vashisth (Borrower) / Ritu Paliwal @Ritu Vashishth ("Co-Borrower") **Loan A/c Number:** 1716196 and **Loan Code Number** (234-00002818)	01.09.2020 & Rs 23,85,517.61/-	EARC TRUST SC-371& Dewan Housing Finance Limited
	Description of secured asset (Immovable Property) : All That Piece and Parcel of the Mortgaged Property /A house (Plot No. 92) measuring 90 sq. yards 75.29 Sq Mtrs coverd area 78.29 Sq Mtrs R.C.C. part of Khet Khasra No. 39 situated in Radhika Enclave, Mohalla Kazampur Devali, Pargana Baran, Tehsil & District Bulandshahar, up,203001.**Bounded As Under As Per The Title Deed :East:** Measuring 40 ft. after Plot No. 93.**West:** Measuring 40 ft. after Plot No. 91,**North:** Measuring 7 mtrs. after Road 24 ft. wide, **South:** Measuring 20 ft. 3 inch after Khet of Shriya.		

If the said borrowers shall fail to make payment to EARC as aforesaid, EARC shall proceed against the above secured assets under the section 13(4) of the act and applicable rules entirely at the risks of the said borrower(s) as to costs and consequences. The borrowers are prohibited under the act from transferring the aforesaid assets, whether by way of sale, lease or otherwise without the prior written consent of EARC. Any person who contravenes or abets contravention of the provisions of the act or rules made thereunder, shall be liable for imprisonment and/or penalty as provided under the act.

Date: 22.09.2020 **Sd/- Authorized Officer**
Place: Mumbai **For Edelweiss Asset Reconstruction Company Limited**