NEW DELHI, MONDAY, JUNE 21, 2021

FINANCIAL EXPRESS

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VOL. XLVII NO. 95, 12 PAGES, ₹8.00 (PATNA ₹8.00, RAIPUR ₹8.00) PUBLISHED FROM: AHMEDABAD, BENGALURU, CHANDIGARH, CHENNAI, HYDERABAD, KOCHI, KOLKATA, LUCKNOW, MUMBAI, NEW DELHI, PUNE

IN THE NEWS

AI can challenge Cairn lawsuit till mid-July

AIR INDIA has time till mid-July to challenge the lawsuit filed by Britain's Cairn Energy demanding that a US federal court force the airline to pay a $1.26 billion arbitration award it had won against the Indian government in December last year, sources said, **reports PTI**. Air India is controlled by the Indian government so much that they are "alter egos", Cairn had said in the lawsuit filed with the US District Court for the Southern District of New York. The court should hold the airline company liable for the arbitration award, the company had said.

Sebi puts a pause on PNB Housing deal with Carlyle

THE SECURITIES and Exchange Board of India has directed PNB Housing Finance (PNBHF) to halt its proposed ₹4,000 crore share allotment to a clutch of companies led by the Carlyle Group, reports **fe Bureau**. In a stock exchange filing on late Saturday evening, PNBHF said Sebi has restrained the lender from going ahead with shareholders' voting on June 22.

DOMESTIC SALES

Centre to seek duty relief for SEZ units

Proposal to allow the tax-free enclaves to sell goods in DTA at lowest FTA tariffs; Revenue dept's call crucial

BANIKINKAR PATTANAYAK
New Delhi, June 20

THE COMMERCE MINISTRY may float a proposal to allow units in special economic zones (SEZs) to sell goods in the domestic market, at least temporarily, at the lowest tariffs at which India imports from its free-trade partners. This will help the SEZs cope with the havoc wrought by the Covid-19 pandemic, sources said.

Currently, SEZ units are mandated to pay the regular customs duty on a product if they sell it in the domestic tariff area (DTA).

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HELPING HAND

- Currently, **SEZ units must pay regular customs duties** for sales in domestic market
- Commerce ministry wants to help SEZs to utilise idle capacity; **move to improve the units' cash flows, boost jobs and lower imports**

- SEZ exports (goods & services) **fell 4% in FY21** in rupee term, while the **country's dropped only 1.5%**

● COVID EX-GRATIA

Finances under strain, can't pay: Govt to SC

PRESS TRUST OF INDIA
New Delhi, June 20

THE CENTRE HAS told the Supreme Court that ex-gratia compensation of ₹4 lakh cannot be paid to the families of those who have died of Covid-19 as it is beyond fiscal affordability and the finances of central and state governments are under severe strain.

In an affidavit filed before the top court, the ministry of home affairs said the Centre submitted that it has by ways of "Minimum Standard Relief", under section 12 of the Disaster Management Act, 2005, taken several steps providing for substantial and speedy measures by way of increase in health, infrastructure, ensuring food safety to every citizen.

"The prayer of the petitioner for payment of ex-gratia to all deceased persons due to Covid-19 is beyond the fiscal affordability of the state governments. Already the finances of state governments and the central government are under severe strain due to the reduction in tax revenues and increase in health expenses on account of the pandemic.

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PLI TWEAK

Level playing field to be made for Samsung & Apple vendors

Both sets of players would have the option to choose any of the five years during the six year extended tenure to avail incentives

KIRAN RATHEE
New Delhi, June 20

THE GOVERNMENT WILL create a level play field between smartphone manufacturers who have met their year one (FY21) sales target and the ones who have not and therefore need a one year extension to avail financial incentives under the production-linked incentive scheme.

Official sources said that the base year for over which the investment and incremental sales target would be calculated would remain same for all the firms.

Since the government is considering extending the tenure of the PLI scheme to six years from the current five, both the sets of manufacturers would have the option of choosing any of the five years during the six year tenure to meet the targets and claim financial incentives.

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Eligibility threshold criteria

Segment	Proposed incentive rate	Incremental investment over base year	Incremental sales of manufactured goods over base year
Mobile phones	Year 1 : 6%	₹1,000 cr	Year 1 : ₹4,000 cr
(invoice value of	Year 2 : 6%	over 4 years	Year 2 : ₹8,000 cr
₹15,000 and	Year 3 : 5%	Cumulative	Year 3 : ₹15,000 cr
above)*	Year 4 : 5%	minimum	Year 4 : ₹20,000 cr
	Year 5 : 5%	Year 1: 250	Year 5 : ₹25,000 cr
		Year 2: 500	
		Year 3: 750	
		Year 4: 1,00	

Govt open to more measures to boost economy: CEA

THE GOVERNMENT is open to coming out with more measures to boost the economy which has been hit by the second wave of the coronavirus pandemic, says chief economic advisor (CEA) K V Subramanian, **reports PTI.**

He, however, added that the demand for a fresh stimulus package has to be considered against the backdrop of a host of initiatives taken by finance minister Nirmala Sitharaman in her Budget for 2021-22 presented in February.

The chief economic advisor was responding to a suggestion made by some industry bodies that the government needed to come out with a ₹3 lakh crore stimulus package to boost the economy.

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Public parks, gardens to open in Delhi from Monday: DDMA

THE DELHI government has allowed reopening of bars, public parks and gardens from Monday under a phased easing of restrictions imposed due to the second Covid wave, **reports PTI.**

The Delhi Disaster Management Authority (DDMA) in an order on Sunday stated that bars will be allowed to reopen with 50% seating capacity, from 12 pm to 10 pm, from next week. The owners of restaurants and bars will be responsible for strict adherence to Covid safety measures and all official guidelines and norms, it said.

Public parks, gardens and golf clubs will be reopened and outdoor yoga activities will also be allowed, the DDMA stated in its order.

FE SPECIALS

CENTRE & STATES

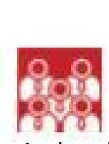
'GST was a mistake, needs remedy now'

K G NARENDRANATH & PRASANTA SAHU
New Delhi, June 20

THE CONCEPT OF Goods and Services Tax (GST) was antithetical to federalism to begin with, Kerala finance minister KN Balagopal said, adding his voice to a growing chorus of state finance ministers and public-policy experts seeking a comprehensive overhaul of the structure, design and administration of the four-year-old consumption tax.

"Cooperative federalism is at stake. GST hasn't yielded the promised revenue productivity. Let us at least learn from experience and restructure the tax. There are also genuine concerns over the (lack of) democratic functioning of the GST Council. It is up to the Union government to display statesmanship and remedy the damage caused by GST to states' finances and fiscal powers," he told *FE*.

Continued on Page 2



Kerala is on the cusp of taking second-generation initiatives in health, education & employment. The Centre's policies are getting in the way of the plan

As we control Covid sooner than others, we will likely get a head start and economic activities including tourism will get a fillip

Our best bet on boosting revenues in the medium term is higher GSDP growth; some new taxes may be needed

India counters criticism of IT rules in UN

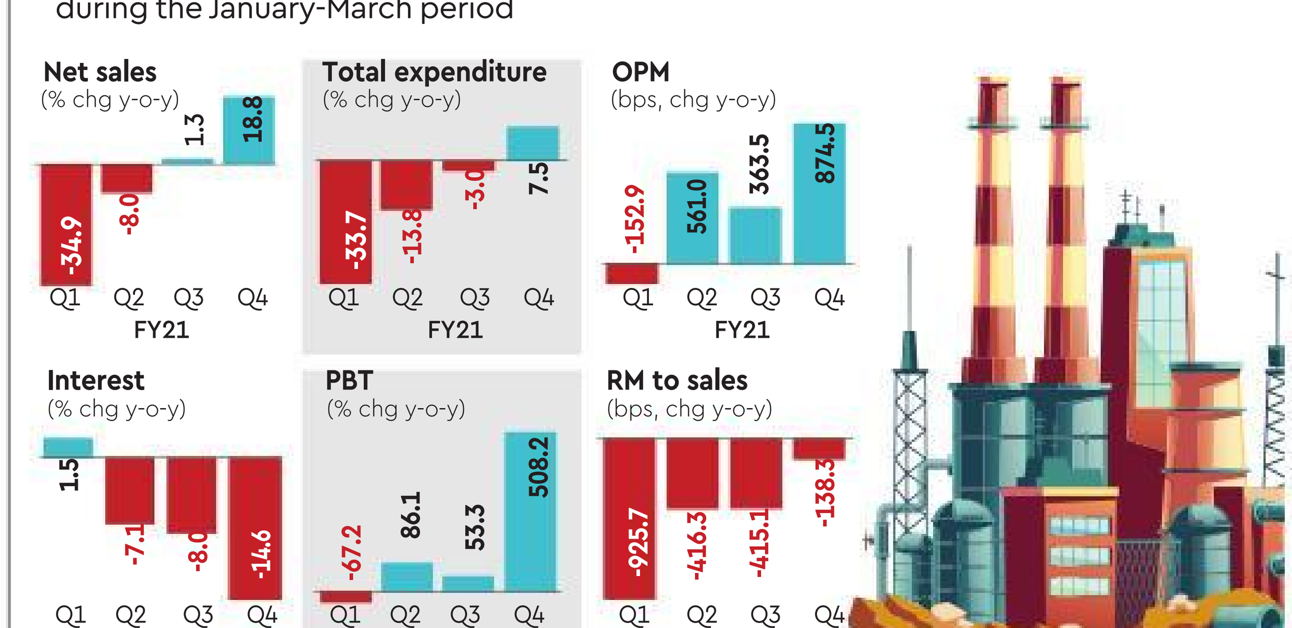
INDIA HAS dismissed criticism of its new IT rules relating to social media by three UN special rapporteurs on rights issues, saying the country's democratic credentials are well recognised and the right to freedom of speech and expression is guaranteed under its Constitution, **reports PTI.** India's permanent mission to the UN in Geneva asserted that the rules are "designed to empower ordinary users" of social media.

January-March

FE BUREAU

India Inc posts high profit as sales rise, costs dip

Strong sales with costs under control saw India Inc's profits rising spectacularly during the January-March period



Sample of 1,267 companies (excluding banks & financials)

Source: Capitaline

● TURNAROUND POTENTIAL

NPS is gaining traction in private sector, says PFRDA chairman

PRASANTA SAHU
New Delhi, June 20

AFTER STAGNATING FOR over a decade, the National Pension System (NPS) was gaining traction in the private sector with about 10 lakh new subscribers expected to join it in FY22, Pension Fund Regulatory and Development Authority (PFRDA) chairman Supratim Bandyopadhyay told FE.

Higher tax-saving potential and attractive returns vis-à-vis other traditional products are seen spurring demand for NPS, he added.

Despite the pandemic, nearly 6 lakh new private subscribers (corporate employees and citizens) joined the NPS in FY21, up from about 5 lakh in FY20, Bandyopadhyay said.

As on June 12, 2021, the private sector subscriber base stood at 28.86 lakh with 40% of them joining in the past two years.

Continued on Page 2

Govt should consider doubling deduction to ₹1 lakh/annum for NPS investment

Income from annuities should be exempted from tax

May launch systematic withdrawal plan and inflation-indexed annuities

Expect fresh fund inflows to NPS be about₹1.25 lakh cr in FY22 end

● PMC PLAN

BharatPe, CFS to infuse ₹500-3,000 cr in SFB

ANKUR MISHRA
Mumbai, June 20

CENTRUM FINANCIAL SERVICES and BharatPe, will collectively infuse anywhere between ₹500-3,000 crore capital in the small finance bank (SFB) as per requirement, according to BharatPe group president Suhail Sameer. In an interaction with *FE*, he said both the partners have agreed to put an equal amount in the bank which will start with ₹500 crore capital. He also said a final call on PMC Bank depositors will be taken after the amalgamation scheme is prepared by the regulator.

"One thing was clear in our discussion with RBI that interest of depositors is supreme," Sameer said. According to him the new owners want to allow PMC depositors to withdraw as much as possible from the bank. "We do not know how much amount existing PMC Bank depositors will be able to withdraw, but we want to allow them withdrawing as much as possible," he further said.

Without sharing details of exact asset-liability mismatch in PMC Bank, Sameer said they have a plan in mind to tackle the same, which is yet to be approved by the regulator.

Continued on Page 2

QuickPicks

Net addition of 12.8 lakh subscribers to EPF in April

EVEN AS Covid-19 took an ugly turn in April, the Employees Provident Fund Organisation (EPFO) saw net addition of 12.76 lakh subscribers in the month, up 13.7% from the net addition in the previous month, reports **fe Bureau**. Data released by the retirement fund body showed that during April, the number of exits declined by 87,821 and case of re-joining increased by 92,864 as compared to March, 2021. The EPFO subscription numbers are often subject to big revisions; a clearer picture of a period emerges after such changes. **PAGE 2**

Authum Investment H1 bidder for Reliance Home Finance

MUMBAI BASED NBFC Authum Investment and Infrastructure is likely to have been selected as the highest (H1) bidder for Reliance Home Finance (RHF) by the lenders, sources close to the development have told FE, reports **Ankur Mishra** in **Mumbai. PAGE 4**

LONG-TERM VIEW

It is about creating more productive jobs, says CII's new president

***TV Narendran**, MD & CEO Tata Steel takes over as CII president at a time when the economy is in a trough but India Inc has turned in stunning results for FY21. Narendran tells FE's **Shubhra Tandon** and **Shobhana Subramanian** the jobs will come once there is more construction, manufacturing and more economic activity in remote parts of the country. Excerpts:*

Given capacity utilisation at just 65% and capex unlikely to go up, do you not think corporate India should pay higher taxes for two years at least to help the government with stimulus?

Any tax rate should be looked at longer term and not everyone in India Inc is profitable today. There were industries like steel which were stressed for the last 10 years and had the most NPAs, now suddenly it looks like they are making lot of money. So, to me these things will change, and one needs to take a slightly longer term view so that we attract investments.

How soon do you see investment cycle turning?

Even before the pandemic, demand was slipping. Private sector investments will come in when there's both demand and profitability. Only demand without profitability may not make it affordable for the private sector to invest because everyone is sitting on a stretched balance sheet. But investments are already happening. For instance, the steel industry is seeing higher utilisations and prices have gone up. Between the major steel companies we have announced ₹50,000-60,000 crore of capex over the next three years. Tata Steel itself is investing ₹25,000 crore.

We need to look at it in an aggregate...

The way I see it, the starting point is what was announced in last year's Budget when the government said it was going to spend lot on infrastructure. As money flows on to the ground you will see positive impact on auto, steel, cement, construction and mining equipment etc. So I would say that as growth comes back, vaccination picks up, you will see investment cycle start. Some of it is already happening with Ola building largest electric two-wheeler plant in the world, auto components for instance is also doing well.

In India, despite growth, jobs are a challenge. What is CII's estimate for job creation in the next three years and which sectors would lose and which will gain?

It depends on where is it that you are getting growth. Infrastructure spend is a big multiplier, it creates jobs in all parts of India.

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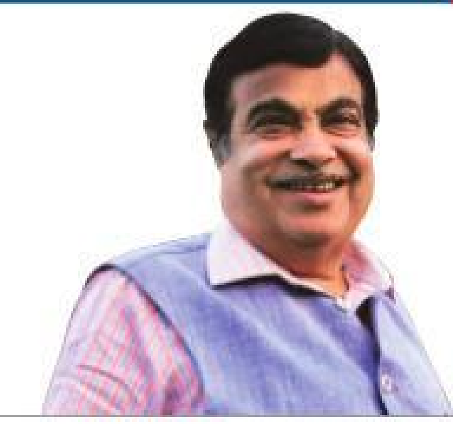
Economy

MONDAY, JUNE 21, 2021



FLEX-FUEL ENGINE

Nitin Gadkari, transport minister

I am going to issue an order to the industry, that only petrol engines will not be there, there will be flex-fuel engines, where there will be choice for the people that they can use 100% crude oil or 100% bio-ethanol.

REVIVAL SIGNS

Net EPF addition at 12.8L in April

FE BUREAU
New Delhi, June 20

EVEN AS COVID-19 took an ugly turn in April, the Employees Provident Fund Organisation (EPFO) saw net addition of 12.76 lakh subscribers in the month, up 13.7% from the net addition in the previous month.

Data released by the retirement fund body showed that during April, the number of exits declined by 87,821 and case of re-joining increased by 92,864 as compared to March, 2021. The EPFO subscription numbers are often subject to big revisions; a clearer picture of a period emerges after such changes.

"Of the 12.76 lakh net subscribers added during the month, around 6.89 lakh new members have come into the social security coverage of EPFO for the first time," an official statement said.

Around 5.86 lakh subscribers exited and then re-joined EPFO in April upon changing their jobs within the establishments covered by EPFO and choose to retain membership through transfer of funds rather than opting for final settlement, it said.

Age-wise comparison of payroll data shows that the age-group of 22-25 years has registered highest number of net enrolments with around 3.27 lakh additions in April, followed by age-group of 29-35 with around 2.72 lakh. The members of 18-25 age-group, usually first timers in the job market, have contributed around 43.35% of total net subscriber additions in April, 2021.

State-wise comparison of payroll figures shows that establishments registered with the states of Maharashtra, Haryana, Gujarat, Tamil Nadu and Karnataka remained in forefront by adding a combined 7.58 lakh subscribers during the month, which is around 59.41% of total net payroll addition across all age groups.

Gender-wise analysis indicates that the share of female's enrolment is approximately 22% of total net subscribers addition during the month.

Insolvency law changing the way society perceives biz failures: Sahoo

MANOJ RAMMOHAN
New Delhi, June 20

FUELLED BY A huge unsatiated appetite for freedom of exit, the insolvency law is changing the way the society perceives business failures as it becomes a reform by, for and of the stakeholders, according to IBBI chairperson MS Sahoo.

Little over five years after its enactment, the Insolvency and Bankruptcy Code (IBC), which provides a time-bound and market-linked framework for resolution of stressed assets, has passed the constitutional muster.

In Sahoo's words, with every judgement of the Supreme Court, the Code has developed deeper and stronger roots, and probably boasts of the largest body of case laws.

In value terms, the Code has rescued 70% of distressed assets through insolvency resolution plans and has released remaining 30% of such assets through liquidations.

Sahoo, who has been at the helm of the Insolvency and Bankruptcy Board of India (IBBI) since its inception in October 2016, said the Code is changing the way the society perceives business failures.

IBBI is a key institution in implementing the Code. **—PTI**

LETTERS TO THE EDITOR

A tribute to Milkha Singh

Spontaneous outpourings of effusive praise for Milkha Singh following his demise are a testament to the love and admiration the country had for him.

— G David Milton, Maruthancode, Tamil Nadu

Withering BJP

Contrary to their preaching and our expectations that the BJP will behave differently, it is despicable that they stoop down to any level to topple legally elected opposition governments using unethical practices like hijacking MLAs and MPs from other parties.

— Tharcius S Fernando, Chennai

●Write to us at feletters@expressindia.com

From the Front Page

Centre to seek duty relief for SEZ units

THIS IS BECAUSE an SEZ is a specifically delineated duty-free enclave and is a deemed foreign territory for the purpose of trade operations, duties and tariffs. Such units, therefore, have access to duty-free imports of goods, which manufacturers in the DTA are not entitled to.

"The proposal is already before the commerce ministry. The pandemic has hit SEZs hard and hurt their liquidity flow. So, there is a need to implement this proposal, at least temporarily, to help them. This can be done after the revenue department's approval," a source told FE.

Finances under strain, can't pay: Govt to SC

"THUS, UTILISATION OF scarce resources for giving ex-gratia may have unfortunate consequences of affecting the pandemic response and health expenditure in other aspects and hence cause more damage than good. It is an unfortunate but important fact that the resources of the governments have limits and any additional burden through ex-gratia will reduce the funds available for other health and welfare schemes," the affidavit filed by the Centre said.

Govt to create level playing field for Samsung & Apple vendors

FOR INSTANCE, SOUTH Korean manufacturer, Samsung Electronics, which has met the targets for the first year, can claim incentives on the incremental sales over the base year, ie, FY20. The threshold for qualifying for incentive was incremental sales of ₹4,000 crore and the maximum was ₹15,000 crore. Samsung, having touched the ceiling, would thus get ₹900 crore (6% of ₹15,000 crore) as incentive for FY21.

BharatPe, CFS to infuse ₹500-3,000 crore in SFB

IN THE NEXT 3-4 months, the focus for Centrum-BharatPe will be to make small finance bank (SFB) operational, after Reserve Bank of India (RBI) has granted in principle approval to set up SFB on Friday. Under Section 45 of the Banking Regulation Act one can only prepare a merger scheme between two banks and, therefore, the process will start only once SFB is set up. BharatPe expects to extend its existing relationship with its merchants by offering them savings and current accounts, along with banking and credit services.

It is about creating more productive jobs, says CII's new president

CONSTRUCTION IS AN important sector to employ people who are transitioning from an agri to an industrial economy. India's growth over the last couple of decades has been more services led, more urban India led, like the IT sector, which is creating jobs in the bigger cities and not in other parts of the country. So, if you want to have growth and job creation, you need manufacturing, you need construction and economic activity in remote parts of the country.

For India Inc, employee headcount has grown at CAGR of just 2.2% in the three years to FY20. Apart from financial services and IT, all other sectors have not hired on a net basis. Your views..

It does not mean you have not hired. In Tata Steel for instance, eight people might have retired but we hired four. In a global world you also need to be competitive. So, it is about creating more productive jobs, expanding capacity, creating jobs in the supply chain etc. Also, we need to see how much of it is formal and informal because even companies will have permanent employees and lot of contract workers.

If you were to change one government policy which one would it be?

Government has done a lot on ease of doing business compared to what it was few years back, but effective tax rates in India are still very high. This is not just about corporate tax. If you look at the mining industry, India is geologically so rich but we end up paying 65-70% as effective tax rate. Corporate tax rate is just one part of it. We need to look at corporate tax rate plus GST plus all the royalties and cess, which makes India one of the highest tax countries. If you take away all the money even before it hits the ground, where will you get investments? Also, infrastructure expenditure is long overdue. As much as we try to be as competitive inside the factory gates, if it takes 20 days for a ship to get a berth, or move goods from one place to another and cost of money in India is still high, it all adds to the inefficiencies in the system, where nobody gains. It is not a policy issue but its just a directional or mindset issue which we need to address.

Do you think the government's attitude in not honouring international arbitration is hurting India's reputation?

More than that, even the contractual issues which we have not honoured is a bigger damage. Indian investors can live with issues around contractual sanctity and policy certainty because they are used to it. However, foreign industry wants policy certainty. They say they can budget in high and low cost, but certainty is what they want so that they can invest for longer periods of time. As part of policy certainty I would say compliance to contracts, honouring contracts, which are not dependent on election outcomes is a must, which otherwise hurts India's credibility.

How would you assess the government's efforts to make sure these things don't happen?

There is acknowledgement that this is an issue. However, not everything can be solved in Delhi, so there needs to be work done with the states in some cases. There may not be a solution yet, but the industry is being heard that these are important issues.

Does India Inc face challenges in terms of quality of talent, skills availability etc which is why the hiring numbers don't look good and unemployment is so high?

It is an important issue and we have not handled it well as a nation, because we are not willing to pay a premium for good skills. We have not got that culturally right. As a society we are unhappy to send people to good vocational colleges and would rather go to some unheard of engineering college. It is not just about training people, I think industry needs to be willing to pay more for quality skills, like we do to quality engineers. Society needs to give that respect to the vocational skills, which we don't give. So lot more needs to be done, I accept that.

Of the three scenarios for GDP growth --6.5%, 9% and 5%, which to you looks most likely given the looming threat of third wave of Covid and slow vaccinations?

For this year we have said that we are expecting 9.5% growth, but that is not saying much because we are just catching up with last year and going back to where we were two years ago. The vaccination drive is slow for now but what we feel is that in the next two months the supply will be sufficient but given the hesitancy towards vaccination in rural India there will be a challenge of how to get people vaccinated when there is enough of it. If we are not able to vaccinate all, then you are back to 5%-6.5% growth, which is not good enough. Not just for this year, but for the subsequent years, what we do in the next three to four months is very critical. So we are focusing on getting more and more people vaccinated, while right now its a supply issue, it will be a shifting bottleneck.

Does CII have a plan for corporates to create housing complexes for migrant labourers?

Between last year and this year lot of corporate India has been proactive in providing facilities for migrant workers, which is why the migration of last year was not seen this time around. The problem was more visible to everyone last year, and hence people were conscious that it needs to be done. Whether you look at large construction companies or large manufacturing ones, they took care of lot of migrant workers housing needs.

As sustainability is a theme for CII in the coming year, where does India Inc stand on spends and adoption of sustainability and what will be CII's role?

The reason we put sustainability and technology in addition to competitiveness and growth is because latter two are hygiene issues, but sustainability and technology will be more and more dominant in our overall conversations both at the industry and national level. Everyone is waiting for India to make a net zero announcement. Once you take a position, then you need a policy roadmap to get there because it will be an expensive and complex transition. Also it will be an impactful socio-economic transition because coal is the centre of this discussion, so what happens to coal industry and thermal power plants in India will need to be discussed. So, the world is evolving and India needs to take a point of view and then evolve the regulation, which is where CII comes in. Secondly, look at global best practices, discuss with the government and play a role in shaping the policy, rather than change it after it is made. Third is to work with the industry because some of the larger companies with footprints outside of India especially in Europe are more conscious of what is happening. Many others think it is just a compliance issue. But it will impact business, because if you are not conscious of the laws evolving there, the companies will be at disadvantage. Cost arbitrage that we have on labour and all else will be negated with the carbon tax that you may have to pay to sell into Europe.

What trend will be most dominant in corporate India in the next 3-4 years?

Digitisation of all processes, which has not happened enough and is still evolving. The way we look at work processes will change. Work from Home is a case in point, which works and gives employees flexibility which means companies can attract better talent, give more flexibility and get the outcomes you want. It is not just about embedding technology but also re-thinking in multiple ways. We are just scratching the surface and India has a huge opportunity because India has a technology capability and we are creating manufacturing facilities, so while other industries are transforming to industry 4.0, we can create industry 4.0.

Does CII have a view or recommendation on hybrid work culture going forward?

Fundamentally it will depend on the sector and industry that members are in, and also maturity. Work from Home is not easy if you have not invested enough in IT. Given that 80% of our members are MSME, they may not have the ability to invest significantly in IT infrastructure, so we need to factor that in.

NPS is gaining traction in private sector, says PFRDA chairman

WITH THE GOVERNMENT sector reaching near saturation, private sector, which hitherto was 7% of total subscriber base, holds key to the growth of NPS as well as expansion of old age income for masses. To make the scheme even more attractive, the pension regulator is in discussion with the Union government to double the special ₹50,000 annual deduction from income allowed for contribution to NPS as well as to exempt income tax on annuity incomes.

'GST was a mistake, needs remedy now'

CITING THE 'RAREST of rare' economic problems being faced by his state over the past four-five years due to natural calamities including the severe floods of 2018 and pandemics, Balagopal said Kerala, with a creditable track record in "developing human capital", was being virtually thwarted in its efforts to address 'second-generation' issues concerning healthcare, education and employment by assorted national policies and a tilt away from federalism.

"The Centre must desist from assuming a great role than envisaged in the Constitution... if the Centre walks the talk on its assurances and goes by the constitutional division of powers between it and the states, then Kerala will confidently grow out of the current crisis and make further progress on the path of sustainable, multifaceted development," Balagopal said.

While some state finance ministers, including West Bengal's Amit Mitra and Punjab's Manpreet Singh Badal, have minced no words of late in their criticism of the GST Council's way of functioning, Balagopal, a first-time minister who assumed office on May 20, was more restrained. "I think it is incumbent on the Union government to instill confidence among all members of the GST Council that a truly democratic spirit will govern the council's functioning. Decision-making should be through consensus and the process should look convincing to all. There is a feeling that when it comes to fiscal matters, the Centre's powers are rising. This must be checked. All stakeholders in the council must feel that justice prevails and is being delivered to them."

He added that the Centre needed to really work hard to avoid conflicts in the council. The Kerala finance minister, however, refused to extend allegiance to the demand for a dispute resolution body under the GST Council. "The council is a body of senior political executives. It must be competent to resolve disputes and prevent them from arising." He said the Centre would do well to adjure the notion that only it possessed good judgement in policy matters and appreciate that states knew better what was best suited for them. It ought to be recognised that states "are equal, equally mature and responsible partners in governance".

Balagopal said his state's best bet on boosting revenues in the medium term was '(higher GSDP) growth', even as the immediate imperatives were enhanced public spending and adoption of 'health-first' policy. "As we control Covid-19 sooner than others, we will likely get a head start and economic activities including tourism will get a fillip. Income transfers to the people who lost livelihoods due to Covid-19 – ₹8,900 crore in the current fiscal; interest subsidy on loans routed via cooperatives to farm sector & MSMEs (₹8,300 crore) and a sustained momentum in public funding of infrastructure would help spur consumption, the minister said.

In the revised budget for FY22 presented in the state assembly on June 4, Balagopal estimated tax revenue growth of just 6.5% on year, upon nominal GSDP growth assumed at 6.6%. Tax receipts had faltered and gone below historic levels after GST's introduction despite the GST compensation facility (assured 14% annual growth) and S-GST receipts being half of state's own tax revenue, he said.

The budget envisages fiscal deficit to sharply reduce from 4.25% of GSDP in FY21 to 3.5% in FY22 and, further to 3% in FY23. Asked how a sharp medium-term fiscal correction envisaged in the budget would work out, the minister said a likely pick-up in economic growth in the next financial year could improve buoyancy, while "we are also to focus on more efficient collection of taxes and may have to bring in some new taxes".

Balagopal, who drafted a dissent note against GST as a member of a 2015 parliamentary select committee, said his state would object to any move to subsume sales taxes/VAT on petrol and diesel in GST, as it would constrict states' autonomous fiscal space to a very low level (more than a third of Kerala's own tax revenue comes from these levies). Given that few states had witnessed their natural growth rates in recent years, it was legitimate to extend the GST compensation mechanism for five years beyond July 2022, he said.

Kerala' revenue deficit has been one of the highest among Indian states thanks to its liberal welfare spending, higher routine expenses and below-potential revenue growth. Salaries and pensions were nearly a third of the state's total expenditure in FY20 and recent pay hikes could mean that these would remain at close to that level at least in the next few years – annualised increases in salaries and pensions between FY20-FY22 (BE) are seen at 12% and 10% respectively. Asked about this, the minister said while all efforts would be made to reduce the revenue deficit, elimination of it might not be feasible. In FY21, Kerala's revenue deficit was 2.94% of GSDP (Revised Estimate), 59% higher than the original estimate (BE).

The minister strongly protested a sharp decline in the state's share of the Centre's divisible tax pool; from a level of 3% in 1980s, this share declined to 2.5% in 14th Finance Commission award period (2015-20) and further to just 1.92% in the 15th FC period (2021-26). "We have excelled in population control..it's an irony that instead of being rewarded for achieving a national policy objective, we are being punished for it," he said. (Of course, the 15th FC has sought to balance this by also rewarding efforts to control population even as it went by the 2011 census to determine inter se share of divisible-pool taxes among states).

Between the 14th and 15th FC periods, Kerala's share in divisible tax pool declined by a quarter and that was the sharpest fall among Indian states. Subdued Centre's gross tax revenue, coupled with the effect of the FC award, meant that the state's share in Central taxes declined by 53% from the Budget Estimate (BE) in FY21; for FY22 too, the revised budget recognised that the state would get only ₹12,812 crore as central tax transfers, a good ₹3,748 crore less than estimated in the budget presented by in February by Balagopal's predecessor Thomas Isaac. Of course, a higher than expected revenue deficit grant from the Centre (₹19,891 crore in 2021-22) has come in aid, but this grant, seen at ₹37,814 crore during 2021-26, would be tapering off.

Though Kerala's budgetary capital expenditure is just 9% of its total expenditure, substantial additional asset-creating spending is being undertaken via Kerala Infrastructure Investment Fund Board (KIIFB), an off-budget body corporate. Asked if the recent controversy over KIIFB – CAG has objected to borrowings by KIIFB saying these breached the limits of government borrowings under Article 293 (1) of the Constitution, Balagopal said KIFB borrowings indeed had the RBI's approval, adding that KIIFB, with robust repayment capacity, was confident of raising as much funds required to finance the big-ticket infrastructure projects already announced.

Balagopal said higher borrowings was inevitable for the state at this juncture to provide relief to the people and spur its economy. Some of the conditions attached to higher borrowing limit – reforms in power distribution which entails the state taking over the liabilities of the electricity board – were hard for the state to adhere to, as these were inconsistent with the ruling Left Democratic Fund's political line, the minister said. The state's borrowings of ₹75,189 crore in FY21 turned out to be 52% higher than BE and are seen to rise by 13% on year in FY22.

Govt open to more measures to boost economy, says CEA

KUMAR DIPANKAR
New Delhi, June 20


CEA KV Subramanian

THE GOVERNMENT IS open to coming out with more measures to boost the economy which has been hit by the second wave of the coronavirus pandemic, says chief economic advisor (CEA) KV Subramanian.

He, however, added that the demand for a fresh stimulus package has to be considered against the backdrop of a host of initiatives taken by finance minister Nirmala Sitharaman in her budget for 2021-22 presented in February.

The chief economic advisor was responding to a suggestion made by some industry bodies that the government needed to come out with a ₹3-lakh-crore stimulus package to boost the economy which was badly hit by the second wave of the coronavirus pandemic in April-May.

According to an assessment by RBI, the second wave has cost the nation about ₹2 lakh crore in terms of output lost.

"Like last year, we do remain very open to coming up with more measures as well...but I think it is really important to take into account the big differences between last year and this year when we talk about stimulus," he told *PTI* in an interview.

Elaborating his point, the CEA said that unlike the previous budget which was framed before the pandemic, the 2021 budget was presented amid the pandemic and had already incorporated significant fiscal expansion. The focus is particularly on infrastructure spending which leads to construction activity and subsequently creation of jobs in the informal sector and demand generation, he said. It was witnessed during the January-March quarter of the last financial year, he added.

The significant capital spending by the government led to a 15% increase in the construction sector in the fourth quarter and the gross fixed capital formation to GDP surged to 34%, the highest in the last six years.

Emphasising that the final objective is to ensure that the economic recovery gathers pace, he said, the government will do whatever is necessary to ensure that.

With regard to food security for the poor, he said, the government has already extended the free food programme for 80 crore population till November.

The extension of PM Garib Kalayan Yojana would cost about ₹70,000 crore, he said, adding free vaccination for all is another important economic measure. "Vaccine as you would appreciate is by far the most important from the perspective to get back into the path of economic recovery," he said.

On the effect of the second wave on growth, Subramanian said, there will be some impact but it is not likely to be very large.

The Economic Survey 2020-21 released in January this year had projected GDP growth of 11% during the current financial year ending March 2022. India's economy contracted by less-than-expected 7.3% in the fiscal year ended in March 2021 after growth rate picked up in the fourth quarter, just before the pandemic hit the country.—**PTI**

Sebi puts a pause on ₹4k-crore PNB Housing deal with Carlyle

FE BUREAU
Mumbai, June 20

THE SECURITIES AND Exchange Board of India (Sebi) has directed PNB Housing Finance (PNBHF) to halt its proposed ₹4,000-crore share allotment to a clutch of companies led by the Carlyle Group.

In a stock exchange filing on late Saturday evening, PNBHF said Sebi has restrained the lender from going ahead with shareholders' voting on June 22. The regulator has further directed the company to carry out the valuation process as per the relevant legal provisions.

Earlier, the extraordinary general meeting (EGM) of the firm was scheduled for June 22 to approve the issuance of shares to a consortium of investors led by the Carlyle Group. Sebi said the resolution regarding the deal was ultra-vires of the company's Articles of Association (AoA).

PNB Housing Finance in filing on Saturday said, "The current resolution bearing item no 1 (issue of securities of the company and matters related therewith) of EGM notice dated May, 31, 2021, is ultra-vires of AOA and shall not be acted upon until the company undertakes the valuation of shares as prescribed under 19(2) of AOA, for purpose of preferential allotment, from an independent registered valuer as per the provisions of applicable laws".

The action from the market regulator came after a proxy advisory firm had highlighted that proposed preferential issue by PNB Housing Finance was against the interest of public shareholders, PNB shareholders and the government. In a note to institutional investors, Stakeholders Empowerment Services (SES), headed by former Sebi ED JN Gupta, had argued that a rights issue would have been a fairer and better option for raising capital. SES had recommended PNB Housing's public shareholders to vote against the resolution on preferential allotment.

Last month, PNB Housing's board had approved a preferential allotment of ₹3,200 crore worth of shares and ₹800 crore worth of warrants to Carlyle, Aditya Puri's family investment vehicle Salisbury Investments, General Atlantic and Alpha Investments at ₹390 per share. The lender also said Aditya Puri was likely to be nominated to the firm's board as a Carlyle nominee director.

The fund-raising by the non-bank lender had been in the offing after it announced it would mop up ₹1,800 crore through a preferential or rights issue in November 2020. Parent Punjab National Bank, however, did not get the approval from the RBI to infuse capital into the subsidiary.

PNB Housing Finance had registered a net profit of ₹127 crore during the March quarter (Q4FY21), against a net loss of ₹242 crore in Q4FY20.

IMD: Progress of monsoon over Delhi, nearby region likely to be slow

PRESS TRUST OF INDIA
New Delhi, June 20

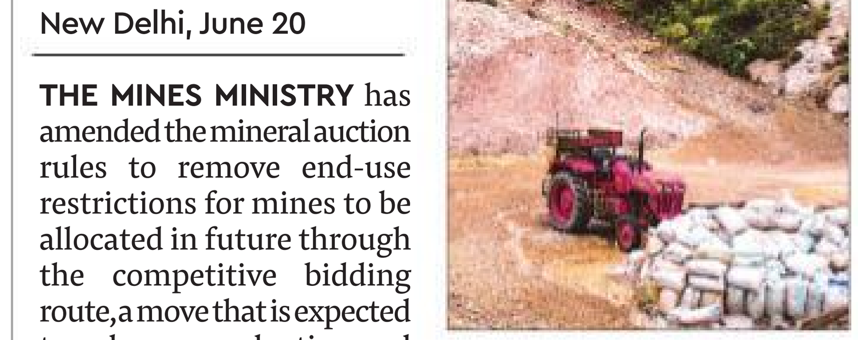
THE PROGRESS OF the southwest monsoon over parts of Rajasthan, western Uttar Pradesh, Haryana, Punjab and Delhi is likely to be slow as "large-scale features are not favourable" for its advance, the India Meteorological Department (IMD) said on Sunday.

Wind pattern by numerical models does not indicate any favourable condition for sustained rainfall over the region during the forecast period, it said. The IMD had on Thursday said the impact of mid-latitude westerly on the monsoon is likely to continue till June 23 and hence its advance into Rajasthan, remaining parts Punjab, Haryana and Delhi is not likely during the period.

It had said the monsoon flow pattern is likely to organise and strengthen gradually between June 26 and June 30, and the further advance to most parts of northwest India is likely during the same period.

Govt removes end-use curbs for auction of mines to lure investments

SURYA SARATHI RAY
New Delhi, June 20



THE MINES MINISTRY has amended the mineral auction rules to remove end-use restrictions for mines to be allocated in future through the competitive bidding route, a move that is expected to enhance production and attract private investments into the sector.

"The state government shall not reserve any mine for captive purpose or any specific end use or partial specific end use in the auction," the Mineral (Auction) Second Amendment Rules, 2021 that amends the Mineral (Auction) Rules, 2015, said. The first amendment to the 2015 rules was done in 2017.

The decision will cover minerals like iron ore, bauxite, limestone, lead, copper and precious metals.

The 2015 rules empowered the states to reserve a mine or mines for any particular specified end-use, but said that the minerals extracted under the mining lease shall be utilised solely for the specified end-use and not be sold or transferred or otherwise disposed of, either directly or indirectly.

In the new amendments, the mines ministry has said that in the cases of mines already auctioned as captive mines for any particular specified end-use before the commencement of the Mineral (Auction) Second Amendment Rules, 2021, up to 50% of the total mineral produced in such captive mine in a financial year may be sold in open market.

B K Bhatia, joint secretary general, FIMI, said, "The removal of the concept of captive and non-captive mines and thereby, removal of restriction on end-use of a mine is welcome. Nowhere in the world, mines are allotted on the concept of captive and non-captive."

The removal of distinction between captive and non-captive mines and their mandatory end-use clauses is likely to augment production for sale in the open market, boosting supplies in the country. This also means that the preference to 'captive' users will go and, instead, all mines will be available for anyone including commercial miners, analysts said.

In the new amendments, the mines ministry has said that the state government would need to intimate the Central government the details of all the areas or mines available with it for auction of mining lease within 45 days. These include those leases entangled in legacy issues and under litigation, estimated to over 500 leases.

It also said that the states would need to intimate the centre about the outcome of any auction of mining lease within 15 days of completion of the auction and also in cases of termination and lapsing the letter of intent for a mining lease within 15 days.

The new amendments have also suggested the state to intimate to the central government the details of all the areas or mines available with it for auction of composite licence within 45 days of the commencement of the Mineral (Auction) Second Amendment Rules, 2021.

Authum Investment and Infrastructure H1 bidder for Reliance Home Finance

ANKUR MISHRA
Mumbai, June 20

MUMBAI-BASED NBFC AUTHUM Investment and Infrastructure has emerged as the highest bidder (H1) for Reliance Home Finance. In a stock exchange filing on Sunday, Authum Investment and Infrastructure confirmed that it has received a letter of intent from lenders for acquiring the troubled home finance company. Authum's ₹2,887-crore bid for (RHF) may have secured more than 90% votes from lenders in a voting process that concluded on Saturday evening, the source added.

The total financial indebtedness of Reliance Home Finance stood at ₹13,400 crore as on May 31, 2021. The list of lenders includes Bank of Baroda, Punjab National Bank, ICICI Bank, HDFC Bank, Canara Bank, Bank of India and Indian Bank, among others.

Apart from Authum, other bidders for Reliance Home Finance included Global Capital, Avenue Capital in partnership with ARCIL, and global fund Ares SSG along with Assets Care and Reconstruction Enterprise (ACRE).

Authum's ₹2,887 bid promised 90% (2,587 crore) upfront payment for the lenders as per sources. The balance 10% amounting to ₹300 crore will be be paid to lenders within one year. Apart from it, around ₹1,800 crore of cash available with Reliance Home Finance will also be distributed to lenders along with the proceeds from the resolution plan, according to sources.

The Alpana Dangi-promoted Authum Investment and Infrastructure is a Mumbai-based non-banking financial institution carrying on the business of investment in shares and securities. The company is also engaged in financing activities as per its website.

The firm has over ₹1,500-crore networth as on December 2020. The BSE listed entity had posted a net profit of ₹74 crore during the December quarter, compared to ₹19 crore during the September quarter.

FIDC seeks liquidity support for NBFCs for on-lending to MSMEs

PRESS TRUST OF INDIA
Mumbai, June 20

Finance Industry Development Council (FIDC) has written to the government requesting setting up of a refinance window for non-banking financial companies (NBFCs), especially smaller players, for on-lending to the MSME sector.

In a letter addressed to Union minister for micro, small and medium enterprises (MSMEs) Nitin Gadkari, FIDC said banks are one of the major sources of funding for NBFCs, with the small and medium sized non-bank players being totally dependent on banks.

With the changing economic environment and the associated developments, NBFCs, especially, small and medium sized ones, are facing liquidity crunch.

Moreover, banks are constrained by the exposure limits prescribed for the NBFC sector, the letter said, adding that it is therefore important that a permanent refinancing mechanism is developed for NBFCs.

"We suggest that SIDBI (Small Industries Development Bank of India) may be allocated funds exclusively for refinancing NBFCs for on lending to MSMEs, with a carve out for small NBFCs. This refinance may be provided for a period of at least three years," FIDC, an industry body of NBFCs, said.

It said retail and wholesale traders who contribute significantly to the country's economy and are integral part of the business community have been excluded from the definition of MSMEs.

Public parks, gardens to open in Delhi from today

THE DELHI GOVERNMENT has allowed the reopening of bars, public parks and gardens from Monday under a phased easing of restrictions imposed due to the second Covid wave.

The Delhi Disaster Management Authority (DDMA) in an order on Sunday stated that bars will be allowed to reopen with 50% seating capacity, from 12 pm to 10 pm, from next week.

The owners of restaurants and bars will be responsible for strict adherence to Covid safety measures and all official guidelines and norms, it said. Public parks, gardens and golf clubs will be reopened and outdoor yoga activities will also be allowed, the DDMA stated in its order. Prohibited activities and services, including educational institutions, cinemas, gyms, spas, all kinds of political, social, cultural, religious gatherings among others will remain closed till further orders or 5 am on June 28.—PTI

Sebi reconstitutes takeover panel

MARKETS REGULATOR SEBI has reconstituted its takeover panel, which looks into the applications seeking exemption from the mandatory open offer that an acquirer needs to make to minority shareholders.

The regulator has appointed N Venkatram, MD and CEO of Deloitte India, as the new member of the Takeover Panel, latest update with Sebi showed.

The panel, chaired by NK Sodhi, the former chief justice of the high courts of Karnataka and Kerala, makes its recommendations to Sebi on such applications after which the regulator gives an opportunity to concerned parties before passing an order.

Sodhi was also the former presiding officer of the Securities Appellate Tribunal.—PTI

JAMMU & KASHMIR BANK LIMITED
(CIN: L65110JK1938SGC000048)
Registered Office:
M. A. Road, Srinagar-190 001
Tel: 0194-2483775, **Fax:** 0194-2481928
Website: www.jkbank.com
Email: board.sectt@jkbmail.com

J&K Bank
Serving To Empower

NOTICE

Members of the Bank are hereby informed that pursuant to Section 108 and Section 110 of the Companies Act, 2013 read with Rule 20 and Rule 22 of Companies (Management and Administration) Rules, 2014, as amended read with the General Circular Nos. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020, and 39/2020 dated 31st December, 2020 issued by the Ministry of Corporate Affairs (MCA), and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable provisions of the Act for the time being in force and as amended from time to time, the Bank has on June 19, 2021 completed the dispatch of Postal Ballot Notice to the Members of the Bank whose names appear on the Register of Members / List of Beneficial Owners as on Friday, June 11, 2021 through electronic mail to the Members whose e-mail ids are registered in the records of Depository Participants (in case of electronic shareholding) / the Bank's Registrar and Transfer Agent (in case of physical shareholding). The Bank seeks approval for the following Resolutions through Postal Ballot by voting through electronic means (e-voting) only:

Sr. No.	Description of Resolutions
1	Authority to the Board of Directors of the Bank to offer, issue and allot equity shares on a preferential basis to the Government of Jammu and Kashmir, promoter and majority shareholder of the Bank
2	Issue of shares to Employees and whole time Directors of the Bank

The Postal Ballot Notice has been communicated to the Stock Exchanges (NSE & BSE) and is also placed on the website of the Bank **www.jkbank.com**.
The Bank has appointed Mr. D S M Ram Practicing Company Secretary, to act as the Scrutinizer, for conducting the Postal Ballot process, in a fair and transparent manner.
In view of the aforementioned MCA circulars, the Bank seeks approval for the resolutions as contained in the Postal Ballot Notice by voting through electronic means (e-voting) only. The Bank is providing the e-voting facility to its Members and has engaged the services of M/s KFin Technologies Private Limited for this purpose. Members are requested to note that e-voting commences at 0900 hours IST on Tuesday June 22, 2021 and ends at 1700 hours IST on Wednesday July 21, 2021. The detailed instructions regarding e-voting have been provided in the Postal Ballot Notice.
In case of any queries, you may reach to:

- NSDL helpdesk by sending a request at **evoting@nsdl.co.in** or call Toll Free No. 1800 1020 990 and 1800 2244 30 (for shareholders with NSDL as depository).
- CDSL helpdesk by sending a request at **helpdesk.evoting@cdslindia.com** or contact at 022-2305 8738 or 022-2305 8542 - 43 (for shareholders with CDSL as depository), or
- Refer Frequently Asked Questions (FAQs) for members and e-voting user manual available at the 'download' section of **https://evoting.kfintech.com** or call M/S KFin Technologies Private Limited on 1800 309 4001 (toll free).

Members requiring any clarification on e-voting may also contact Mr. Mohammad Shafi Mir, Company Secretary at **sharedeptt_gc@jkbmail.com** or at Telephone No. +91 194248 3775.
The Members whose shares are in physical form and whose email ids are not registered with the Registrar and Share Transfer Agent may update the same temporarily on **https://ris.kfintech.com/clientservices/postalballot/registration.aspx** for the purpose of e-voting on the resolutions as stated above.
The result of Postal Ballot shall be declared on or before July 23, 2021 and will be available at the Registered Office / Corporate Office of the Bank, communicated to the Stock Exchanges and would also be uploaded on the Bank's website at **www.jkbank.com** and on the website of e-voting agency - M/s KFin Technologies Pvt. Ltd. at **www.kfintech.com**.

By order of the Board
Jammu & Kashmir Bank Limited
Sd/-
(Mohammad Shafi Mir)
Company Secretary

Place: Srinagar
Dated: June 20, 2021

Mafatlal

MAFATLAL INDUSTRIES LIMITED
CIN: L17110GJ1913PLC000035
Regd. Office: 301-302, Heritage Horizon, 3rd Floor, Off: C.G. Road, Navrangpura, Ahmedabad-380 009. Tele. No. 079-26444404-06 Fax No. 079-26444403
E-mail : ahmedabad@mafatlals.com Web Site : www.mafatlals.com

NOTICE

Information regarding 107th Annual General Meeting of the Members of the Company to be held through Video Conference/ Other Audio-Visual Means (VC/OAVM)

Notice is hereby given that the **107th Annual General Meeting ('AGM')** is scheduled to be held on **Friday, July 30, 2021 at 12:30 p.m. through video conferencing ('VC')/other audio visual means ('OAVM')** without the presence of the members at a common venue in compliance with the provisions of the Companies Act, 2013, circulars issued by Ministry of Corporate Affairs (MCA) dated 8th April, 2020 read with circulars dated 13th April, 2020, 5th May, 2020 and 13th January, 2021 and SEBI circular dated 12th May, 2020 and 15th January, 2021 to transact the businesses as set out in the Notice convening the 107th AGM.

In compliance with the said MCA and SEBI Circulars, the electronic copies of the Notice of 107th AGM and the Annual Report of the Company for the year 2020-21 will be sent to all the Members whose email addresses are registered with the Company/Depository Participants (DP).

Members who have not registered their email addresses and mobile numbers are requested to furnish the same to the Company's Registrar & Share Transfer Agents KFin Technologies Private Limited (hereinafter referred to as 'KFin') (formerly known as Karvy Fintech Pvt. Ltd.) at einward.ris@kfintech.com to get their email addresses and mobile numbers registered.

The Annual Report for FY 2020-21 along with Notice of the AGM shall be made available and can be downloaded from the Company's website www.mafatlals.com under "Financials & Disclosure" section and also at the website of KFin Technologies Private Limited ('KFinTech'), the Registrar & Share Transfer Agents (STA) of the Company at www.kfintech.com and the same shall be available on the website of Bombay Stock Exchange at www.bseindia.com.

The Company is providing remote e-voting facility ('Remote evoting') to all its members to cast their vote on all resolutions set out in the Notice of the 107th AGM. Additionally, the Company is providing the facility of voting through e-voting system during the AGM.

Detailed procedure for joining the AGM and remote e-voting and the e-voting during AGM will be provided in the Notice of 107th AGM and also will be posted on the Company's website at: www.mafatlals.com under "Financials & Disclosures" section.

The Board of Directors of the Company has not recommended any dividend for 2020-21.

Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

Place : Ahmedabad
Dated : 19th June, 2021

ARVIND MAFATLAL GROUP
The ethics of excellence

For Mafatlal Industries Limited,
Ashish A. Karanji
Company Secretary

FORM A
PUBLIC ANNOUNCEMENT
(Under Regulation 6 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016)

FOR THE ATTENTION OF THE CREDITORS OF KSBL SECURITIES LIMITED

RELEVANT PARTICULARS

1.	Name of Corporate Debtor	**KSBL Securities Limited**
2.	Date of incorporation of Corporate Debtor	22/01/1993
3.	Authority under which Corporate Debtor is incorporated / registered	RoC-Delhi
4.	Corporate Identity No. / Limited Liability Identification No. of Corporate Debtor	U74899HR1993PLC45764
5.	Address of the registered office and principal office (if any) of Corporate Debtor	Plot No. 1, Naher (Canal) Colony, B/h Water Filling Plant, Dhankot, Gurgaon, Haryana – 122001
6.	Insolvency commencement date in respect of Corporate Debtor	18/06/2021
7.	Estimated date of closure of insolvency resolution process	15/12/2021
8.	Name and Registration number of the insolvency professional acting as Interim Resolution Professional	**Name : Pawan Kumar Agrawal** **Reg. No.:** IBBI/IPA-001/IP-P00852/2017-18/11435
9.	Address & email of the interim resolution professional, as registered with the board	**Pawan Kumar Agrawal** **Address:** L-2/37A, Ground Floor, Ekta Square, DDA, Kalkaji, New Delhi-110019. **Email:** irp@ppglegal.com
10.	Address and e-mail to be used for correspondence with the Interim Resolution Professional	**Pawan Kumar Agrawal** **Address:** 40/55, First Floor, Chittaranjan Park, New Delhi - 110019. **Email:** ksbl.cirp@gmail.com
11.	Last date for submission of claims	02/07/2021
12.	Classes of creditors, if any, under clause (b) of sub-section (6A) of section 21, ascertained by the Interim Resolution Professional	NA
13.	Names of insolvency professionals identified to act as authorised representative of creditors in a class (three names for each class)	NA
14.	(a) Relevant forms and (b) Details of authorized representatives are available at:	a) Web link: https://ibbi.gov.in/home/downloads b) NA

Notice is hereby given that the National Company Law Tribunal, New Delhi has ordered the commencement of a corporate insolvency resolution process of **KSBL Securities Limited on 18/06/2021.**

The creditors of **KSBL Securities Limited** are hereby called upon to submit their claims with proof on or before **02/07/2021** to the interim resolution professional at the address mentioned against entry No. 10.

The financial creditors shall submit their claims with proof by electronic means only. All other creditors may submit the claims with proof in person, by post or by electronic means.

A financial creditor belonging to a class, as listed against the entry No. 12, shall indicate its choice of authorised representative from among the three insolvency professionals listed against entry No. 13 to act as authorised representative of that class in Form CA.

Submission of false or misleading proofs of claim shall attract penalties.

Sd/-
Pawan Kumar Agrawal
Interim Resolution Professional of KSBL Securities Limited
Reg. No.: IBBI/IPA-001/IP-P00852/2017-18/11435

Date: 20.06.2021
Place: New Delhi

MARUTI SUZUKI

MARUTI SUZUKI INDIA LIMITED
CIN: L34103DL1981PLC011375
Regd. Off.: Plot no. 1, Nelson Mandela Road, Vasant Kunj, New Delhi-110070, India
Ph.: +91 (11)46781000; Fax: +91 (11)46150275/76
Web: www.marutisuzuki.com; Email Id: investor@maruti.co.in

NOTICE
(For the attention of Equity Shareholders of the Company)
Sub: Transfer of Equity Shares to Investor Education and Protection Fund (IEPF) Suspense Account

This Notice is published pursuant to the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules") as amended from time to time by the Ministry of Corporate Affairs.

The Rules contain provisions for transfer of such shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more in the name of Investor Education and Protection Fund (IEPF) Suspense Account. The Company has communicated individually to the concerned shareholders whose shares are liable to be transferred to IEPF Suspense Account under the Rules for taking appropriate action.

The Company has uploaded full details of such shareholders and shares due for transfer to IEPF Suspense Account on its website at **www.marutisuzuki.com**. Shareholders are requested to refer to the weblink **https://www.marutisuzuki.com/corporate/investors/events** to verify the details of unpaid/unclaimed dividend and the shares liable to be transferred to IEPF Suspense Account.

Shareholders may note that both the unpaid/unclaimed dividend and the shares transferred to IEPF Authority / Suspense Account including all benefits accruing on such shares, if any, can be claimed back from IEPF Authority after following the procedure prescribed by the Rules.

In case the Company does not receive any communication from the concerned shareholders by 30th September, 2021, the Company shall transfer the shares to the IEPF Suspense Account as per procedure stipulated in the Rules.

In case the shareholders have any queries on the subject matter, they may contact to the Company's Registrar and Transfer Agent at **Kfin Technologies Pvt Ltd.** Mr. Rajkumar Kale, Selenium Building, Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500032. Tel.: 040-6716 2222; Toll Free No.: 1-800-309-4001; Email: **einward.ris@kfintech.com**; Website: **www.kfintech.com**.

For Maruti Suzuki India Limited

Sanjeev Grover
Vice President and
Company Secretary

Place: New Delhi
Date: June 21, 2021

AMTEK AUTO LIMITED
CIN: L27230HR1988PLC030333
Regd. Office: Plot No.16, Industrial Area, Rozka Meo, P.O.Sohna, Gurgaon Gurgaon HR-122003 IN
Corporate Office: 3 LSC Pamposh Enclave, Greater Kailash-I, New Delhi-110048
Tel: +91-11-42344444| **Fax:** +91-11-42344400 | **E-mail:** info@amtekauto.com | **Web:** www.amtek.com

EXTRACT OF THE STATEMENT OF UN-AUDITED (STANDALONE) FINANCIAL RESULTS FOR THE QUARTER AND HALF-YEAR ENDED SEPTEMBER 30, 2020

(Rupees in Lacs)

		Standalone					
		Quarter Ended			Half Year Ended		Year Ended
Sl. No.	Particulars	30.09.2020 (Unaudited)	30.06.2020 (Unaudited)	30.09.2019 (Unaudited)	30.09.2020 (Unaudited)	30.09.2019 (Unaudited)	31.03.2020 (Audited)
1.	Total Income from operations (inclusive of other income)	12,387	3,653	19,424	16,040	41,007	74,836
2.	Net Profit/ (Loss) for the period (before tax, exceptional and/or extraordinary items)	(10,751)	(14,577)	(9,224)	(25,328)	(17,066)	(107,909)
3.	Net Profit/ Loss for the period before tax (after exceptional and/or extraordinary items)	(10,751)	(14,577)	(9,224)	(25,328)	(17,066)	(108,339)
4.	Net Profit for the period after tax (after exceptional and/or extraordinary items)	(10,751)	(14,577)	(9,224)	(25,328)	(17,066)	(108,339)
5.	Total Comprehensive Income for the period (Comprising Profit / (Loss) for the period (after tax) & other Comprehensive Income (after tax))	(10,448)	(14,534)	(9,183)	(24,982)	(16,999)	(108,169)
6.	Paid-up Equity Share Capital (Face Value of Rs. 2/- each)	4,965	4,965	4,965	4,965	4,965	4,965
7.	Other equity (excluding Revaluation Reserve)	—	—	—	—	—	(1,055,907)
8.	Earnings per Share (F.V. of Rs 2/- each)						
	a Basic (in Rs.)	(4.33)	(5.87)	(3.72)	(10.20)	(6.87)	(43.64)
	b Diluted (in Rs.)	(4.33)	(5.87)	(3.72)	(10.20)	(6.87)	(43.64)

Note:
1. The 'Corporate Insolvency Resolution Process' ("CIRP") was initiated, on a petition filed by erstwhile Corporation Bank, against the Company under the provision of the Insolvency and Bankruptcy Code 2016 ("Code/IBC"). The said petition was admitted vide Order dated July 24, 2017 passed by the Hon'ble National Company Law Tribunal, Chandigarh Bench ("NCLT"). The implementation of the DVI's Resolution Plan is under way and will be an outcome of the actions by the Successful Resolution Applicant along with support of the IMC. Accordingly, the Statement of Standalone Unaudited Financial Results for the Quarter and Half year ended September 30, 2020 have been continued to be prepared on a going concern basis.
2. The above Statement of Standalone unaudited Financial Results for the Quarter and Half year ended September 30, 2020 have been prepared in terms of Regulation 33(2) of SEBI (Listing Obligation & Disclosure Requirements) Regulation 2015, as amended. Since the powers of the Board of Directors stand suspended after commencement of CIRP, the above audited results for the Quarter and Half year ended September 30, 2020 have been endorsed by Chief Financial Officer, confirming that financial results do not contain any material misstatements and thereafter provided to the Insolvency Professional for his signing on 19th June, 2021 and for further filing with stock exchanges.
3. During the financial year 2017-18, the Company had availed interim finance of Rs. 6,000 Lakhs (out of the sanction of Rs. 10,000 Lakhs) from ECL Finance Limited at the interest rate of 15.90% p.a. ECL Finance Limited had assigned this loan to Edelweiss Asset Reconstruction Limited on September 15, 2018 together with all rights, title and interest. The entire loan had become overdue since November 29, 2018. Subsequent to the close of Quarter and Half year ended September 30, 2020, the Company has repaid the entire dues on 21st October, 2020.
4. Exceptional items and impairment losses (i) During the Financial year 2017-18, under the CIRP, the Resolution Professional and the lenders obtained valuation(s) of its entire assets from approved valuers. Based on such valuations obtained, the Company assessed the need to carry out an impairment / diminution in the carrying value of all of its assets (i.e. Property, Plant and Equipment, Capital work-in-progress, Investments, Inventories, Trade Receivables, and Other Financial Assets). The impact of impairment / diminution was recorded as 'exceptional items' in the financial statements of 2017-18. The Company had recorded further impairment / diminution in its books of account during the financial year 2018-19, owing to there being no operations in few of its plants due to lack of orders from OEMs. The provision for impairment has been worked out on the basis of valuation referred to in valuation reports and the Resolution Plan as approved by NCLT vide Order dated July 25, 2018; without any reference to determination of 'value-in-use'. The Company is in the process of determining the 'value-in-use'. (ii) During the quarter ended June 30, 2020, the Company has decided to fully impair the Advance to Supplier - Metalyst Forgings Limited, the outstanding of which aggregates to Rs. 4996 Lacs, in light of non-visibility of finalisation of resolution plan in the CIRP of Metalyst Forgings Limited. (iii) During the Quarter and Half year ended September 30, 2020, the Company has decided to fully impair the Advance to Supplier - Castex Technologies Limited the outstanding of which aggregates to Rs.1519 lakhs, in light of non-visibility of finalisation of resolution plan in the CIRP of Castex Technologies Limited.
5. 5 Creditors' Claims (i) As a part of CIRP, creditors of the Company were called to submit their claims to the Resolution Professional". The summary position of the same is reproduced in the result uploaded in the website of the company and exchange. ** In light of the approval of resolution plan by CoC& its further approval by NCLT vide Order dated July 25, 2018, no provision is considered necessary for the differential claims. The party-wise reconciliation of liability appearing in books of account vis-à-vis their claims admitted is pending. (ii) The Company has not provided liability towards interest, penal interest charges and any foreign exchange fluctuation on claims by financial creditors for the period post July 24, 2017, since as part of the CIRP, the claims for interest, penal interest charges and foreign exchange fluctuation can impact their claims in Form C only till the date of commencement of CIRP of the Corporate Debtor i.e. July 24, 2017. Accordingly, no provision has been considered for the same.
6. The Company is engaged in the manufacturing and sale of Auto Components for the transportation industry and considering the Company's nature of business and operations and the information reviewed by the Chief Operating Decision Maker (CODM) to allocate resources and assess performance, the Company has only one reportable business segment as per the requirements of Ind AS 108 "Operating Segment" namely Auto components for transportation industry.
7. Asset-held-for-sale: Company's investment in its joint venture company "SMI Amtek Crankshaft Private Limited" had been classified as "Asset-held-for-sale" since March 31, 2018 by virtue of Business Transfer Agreement dated 16.04.2018. The transfer could not be completed till the date of approval of these results for the reasons beyond the control of the management and primarily owing to failure of LHG in implementation of the Resolution Plan. However, as per the requirements of DVI's Resolution Plan, Asset Monitoring Committee (AMC) shall be formed and would authorise the sale of Pass-through Assets including SMI Assets. Accordingly, the assets remain held-for-sale and this sale is expected to be completed within next 12 months, soon after the AMC is formed.
8. (i) The management came across certain additional bank accounts with ICICI Bank, in the name of Company, which have been reported to be pertaining to public deposits received by the Company prior to FY 2008-09 and thus the balance could be related to repayment of deposits or related interest payment or expense payment etc. and there were no movement [except few insignificant transactions] in these accounts since past many years. Balance existing in these accounts as on March 31, 2020 aggregating to Rs.18.78 Lakhs, which came to the notice of management on 8th October 2020, had been recorded in the books of account as on March 31, 2020 with a corresponding credit to "Other Financial Liabilities" in the interim while the management is yet in the process of reconciling the corresponding depositors' details and will pursue with MCA for the applicable compliances, including depositing the captioned amount with Investor Protection Fund, along with consequential penalty etc. (ii) Subsequent thereto, the management has also taken up a detailed exercise with all its existing bankers, to ensure that there are no further unrecorded bank accounts in the name of the Company. Resultantly, 4 additional bank accounts aggregating to Rs.23.38 Lakhs were identified, which had been recorded in the books of account as on September 30, 2020 with a corresponding credit to "Operational Creditors / Other Income". (iii) The management have also taken-up with ICICI Bank, for the close of aforesaid additional bank accounts with ICICI Bank specified in (i) above, & the balance in those accounts were transferred to Company's operational bank account(s).
9. (i) The Vice Chairman and Managing Director of the Company was reappointed by the shareholders in the extra ordinary meeting held on March 25, 2017 for a period of two years effective from August 14, 2016. The Company based upon the legal opinion is of the view that for the purpose of the calculation of the minimum remuneration effective capital of the Company prescribed as per provisions of Schedule V of the Companies Act, 2013 would be based on the latest available audited financial statements at the date of meeting which was March 31, 2016 and same would be applicable for calculation of the minimum remuneration as per provisions of Schedule V of the Companies Act, 2013 for the year ended March 31, 2018. The Company has accordingly calculated excess remuneration of Vice Chairman and Managing Director of the Company during the period from April 1, 2017 to June 23, 2017 as Rs.3.31 Lakhs. The Vice Chairman and Managing Director of the Company has resigned during the (previous) financial year 2017-18 and therefore the excess remuneration paid/ charged to the statement of profit and loss account for the above-mentioned period could not be recovered from him during the (previous) financial year 2017-18. (ii) Subsequent to the aforesaid, in the preceding financial year (F.Y.2019-20), the Company has adjusted the above-stated excess remuneration from the Vice Chairman and Managing Director against reimbursement of expenses. (iii) For the aforesaid time being default in the provisions related to managerial remuneration, the Company will seek approval from the Ministry of Corporate Affairs for condonation, with consequential penalty and compounding fees, if any as per provisions of Companies Act, 2013. However in the absence of exact quantum of penalty and compounding fees, no adjustments for excess remuneration paid and provision for penalty and compounding fees have been made in the financials of previous year(s) as well as these financials which shall be accounted in the year when the same is determined by the Ministry of Corporate Affairs.
10. The spread of COVID-19 pandemic has affected the business operations post the Government of India declared a national lockdown on 25 March 2020. The Company has taken various measures in consonance with Central and State Government advisories to contain the pandemic, which included closing of manufacturing facilities. Post lifting the aforesaid lock down, the Company has carried out a comprehensive assessment of possible impact (that may result from this pandemic) on its business operations, financial assets, contractual obligations and its overall liquidity position, based on the internal and external sources of information and application of reasonable estimates. In that context and based on the current estimates, the Company does not foresee any significant incremental risk to the recover ability of its assets, other than those assets which have been duly impaired / provided for. Pursuant to the relaxed guidelines, the Company has now resumed its operations at all its plants. Since the situation is continuously evolving, the impact may be different from the estimates made as at the date of approval of these financial results. By the end of ensuing financial year, the Company has been able to substantially overcome the financial turbulence caused and will continue to monitor any financial implications arising due to the impact of this pandemic on financial and operational performance of the Company and take necessary measures to address the situation.
11. Previous period figures have been regrouped/ reclassified, wherever considered necessary to conform to the current period presentation.

For **Amtek Auto Limited**

Sd/-
(Dinkar T. Venkatasubramanian)
Insolvency Professional

Sd/-
(Vinod Uppal)
Chief Financial Officer

Date: 19.06.2021
Place: New Delhi.

पंजाब एण्ड सिंध बैंक
Punjab & Sind Bank
(A Govt. Of India Undertaking)
H.O. Credit Monitoring & Policy Deptt,
Bank House, 7th Floor 21, Rajendra Place, New Delhi-110008

PUBLIC NOTICE

Notice is hereby given to the public that Bank is moving towards daily marking of NPA from existing monthly practice from 30.06.2021 onward. You are requested to contact your base Branch for further details and clear the overdues to prevent slippage.

SUSTAINABLE TOURISM FOUNDATION
REGISTERED OFFICE :D-32 Suraj Mal Vihar DELHI East Delhi DL 110092 IN
CIN: U85300DL2019NPL355610
EMAIL: ns@sustainabletourismfdn.org
Form NO. INC -26

In the matter of the Companies Act, 2013, Section 13(4) of Companies Act, 2013 and Rule 30(5)(a) of the Companies (Incorporation) Rules, 2014 Before the Central Government, Regional Director Northern Region, New Delhi
And
In the matter of SUSTAINABLE TOURISM FOUNDATION having its registered office at D-32 SURAJMAL Vihar DELHI East Delhi DL 110092 IN,
...... The Petitioner

NOTICE

Notice is hereby given to the General Public that the company proposes to make application to the Central Government under section 13 of the Companies Act, 2013 seeking confirmation of alteration of the Memorandum of Association of the Company in terms of the Special Resolution passed at the Extra Ordinary General Meeting held on Friday, June 18, 2021 to enable the Company to change its Registered office from "State of Delhi" to "State of Haryana" within the jurisdiction of Registrar of Companies Delhi & Haryana". Any person whose interest is likely to be affected by the proposed change of the registered office of the Company may deliver either on the MCA-21 portal (www.mca.gov.in) by filing investor complaint form or cause to be delivered or send by registered post of his/her objections supported by an affidavit stating the nature of his/her interest and grounds of opposition to the Regional Director-Northern Region, Ministry of Corporate Affairs, B-2 Wing, 2nd Floor Paryavaran Bhawan, CGO Complex, New Delhi-110003, 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 above.

For and on behalf of the Board
SUSTAINABLE TOURISM FOUNDATION
Date: June 18, 2021 Sd/- **NIHAR SHARMA**
Place: Gurgaon **Director**
DIN-00454257

Form No. INC-26
{Pursuant to Rule 30 of the Companies (Incorporation) Rules, 2014}
Before the Central Government, Regional Director, Northern Region, New Delhi
In the matter of sub-section (4) of Section 13 of Companies Act, 2013 and clause (a) of sub-rule (5) of Rule 30 of the Companies (Incorporation) Rules, 2014
AND
In the matter of **HARJOG SHAREHOLDING PRIVATE LIMITED**
(CIN: U67120CH2005PTC028913))
having its Registered Office at
2523 SECTOR 35C, CHANDIGARH, UNION TERRITORY OF CHANDIGARH-160022
.........**Applicant Company / Petitioner**

NOTICE is hereby given to the General Public that the company proposes to make application to the Central Government under Section 13(4) of the Companies Act, 2013 seeking confirmation of alteration of the Memorandum of Association of the Company in terms of the special resolution passed at the Extra Ordinary General Meeting held on **17th June, 2021** to enable the company to change its Registered Office from **"UNION TERRITORY OF CHANDIGARH"** to the **"State of Punjab".**
Any person whose interest is likely to be affected by the proposed change of the registered office of the company may deliver either on the **MCA-21 portal (www.mca.gov.in) by filing investor complaint form** or cause to be delivered or send by registered post of his /her objections supported by an affidavit stating the nature of his / her interest and grounds of opposition to the Regional Director, Northern Region, Ministry of Corporate Affairs, B-2 Wing, 2nd Floor, Paryavaran Bhawan, CGO Complex, New Delhi-110003 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:-
2523 SECTOR 35C, CHANDIGARH, UNION TERRITORY OF CHANDIGARH-160022

For & on behalf of Applicant
HARJOG SHAREHOLDING PRIVATE LIMITED
Sd/-
PRATAP SINGH CHEEMA
(DIRECTOR)
DIN : 00072857
Date : 20.06.2021
Place : Chandigarh

Persistent Systems Limited
CIN: L72300PN1990PLC056696
Regd. Office : 'Bhageerath', 402 Senapati Bapat Road, Pune 411 016
Ph. No.: +91 (20) 6703 0000; Fax: +91 (20) 6703 0008
E-mail: **investors@persistent.com**; Website: **www.persistent.com**

NOTICE OF THE 31ST ANNUAL GENERAL MEETING TO BE HELD THROUGH VIDEO CONFERENCING /OTHER AUDIO-VISUAL MEANS

NOTICE is hereby given that the 31st Annual General Meeting (AGM) of the Members of the Company will be held on **Wednesday, July 21, 2021 at 1600 Hrs.** (India Time) through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') to transact the business, as set out in the Notice of the AGM which is being circulated for convening the AGM.

In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) has vide its General Circular No. 20/2020 dated May 5, 2020 read with General Circulars No. 14/2020, 17/2020 and 02/2021 dated April 8, 2020, April 13, 2020 and January 13, 2021 issued by the Ministry of Corporate Affairs ('MCA') and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated May 12, 2020 and January 15, 2021 respectively, issued by the Securities and Exchange Board of India ('SEBI') permitted holding of AGM through VC/OAVM, without physical presence of the Members at a common venue. In compliance with these MCA and SEBI Circulars and the relevant provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the AGM of the Members of the Company will be held through VC/OAVM.

Attend AGM through VC/OAVM:

Members can attend and participate in the AGM through VC/OAVM facility only. Details and instructions to attend, vote and view the proceedings of the AGM will be provided in the AGM Notice. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

Electronic Dissemination of Notice and Annual Report:

a. The AGM Notice along with the Annual Report 2020-21 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/Depository Participants in compliance with the MCA and SEBI Circulars.
b. The AGM Notice and Annual Report 2020-21 will also be available on the Company's website www.persistent.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL at https://www.evoting.nsdl.com.

To register email address for all future correspondence and update the bank account details, please follow the below process:

Physical Holding	Send a request to the Registrar and Share Transfer Agent of the Company, Link Intime India Private Limited ('Link Intime') at pune@linkintime.co.in 1. To register email address, please provide Folio Number, Name of the Shareholder, scanned copy of the share certificate (front and back), PAN and AADHAR (Self attested scanned copy of both PAN card and AADHAR Card) 2. To update the Bank details, please send the following additional documents / information followed by hard copies: a. Name of the Bank and Branch Address b. Type of Bank Account i.e. Savings or Current c. Bank Account Number allotted after implementation of core banking solutions, d. 9-Digit MICR code Number and e. 11-Digit IFSC code f. Original cancelled cheque bearing the name of the first shareholder, failing which a copy of bank passbook / statement attested by bank.
Demat Holding	Please contact your Depository Participant ('DP') and follow the process advised by your DP.

E-Voting:

The Members will have an opportunity to cast their vote electronically on the business set out in the AGM Notice through remote e-Voting / e-Voting at the time of AGM. If your e-mail ID is already registered with the Company / Depositories, log in details for e-voting are being sent on your registered e-mail ID. In case, you have not registered your e-mail ID with the Company / Depositories, the detailed procedure of voting by Members holding shares in dematerialized form, physical mode and Members who have not registered their e-mail addresses will be provided in the AGM Notice.

Dividend:

The Board of Directors of the Company at their meeting held on April 29, 2021, have recommended final dividend of INR 6 (INR Six) per Equity Share of INR 10 (INR Ten) each for Financial Year 2020-21. This Final Dividend is subject to the approval of Members at the ensuing 31st Annual General Meeting to be held on July 21, 2021. The dividend, if approved will be paid within 30 days from the date of the AGM.

Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof.

The shareholders are requested to update their PAN with the Company/Link Intime (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).

Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source. Shareholders can submit their tax exemption forms directly on the portal of M/s. Link Intime India Private Limited, RTA of the Company.

The requisite form for claiming tax exemption can be downloaded from Link Intime's website. The URL for the same is as under:
https://www.linkintime.co.in/client-downloads.html - On this page, select the General tab. All the forms are available under the head 'Form 15G/15H/10F'

The aforementioned documents (duly completed and signed) are required to be uploaded on or before August 05, 2021, on the URL mentioned below:
https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html.

For **Persistent Systems Limited**
Amit Atre
Company Secretary
ICSI Membership No.: ACS 20507

Place : Pune
Date : June 19, 2021

Opinion

MONDAY, JUNE 21, 2021

THIRD WAVE OUTLOOK

AIIMS director Randeep Guleria

"It will take some time for the number of cases to start rising at the national level. But it (third wave) could happen within the next six to eight weeks ... It all depends on how we go ahead in terms of Covid-appropriate behaviour"

Govt must respect contracts, arbitral awards

Govt stance on Devas-Antrix arbitration will leave investors with a bitter taste on putting their money in India

IT IS UNFORTUNATE India has rejected an offer from Mauritius-based investors of Devas Multimedia Pvt Ltd to settle a dispute over a terminated satellite lease deal between Devas and Antrix Corporation, the commercial arm of Isro. Indeed, the matter, which has dragged on for nearly a decade, is becoming increasingly mired in litigation. Last Tuesday, the Supreme Court (SC) turned down a plea by Devas to restrain the liquidator from taking any steps in relation to the arbitration pending before the Delhi High Court between the two. Devas had approached the HC, asking that the international tribunal award of $562.5 million—that it won in 2015—be enforced in its favour. In late October 2020, a Washington court upheld the arbitration award of the ICC and asked Antrix to pay Devas $1.2 billion.

According to a report in *Mint*, last month, a clutch of investors approached the government, hoping for an amicable settlement. However, the government continues to pursue the matter in the courts, having filed a winding up petition against Devas. In late May, the Bengaluru bench of the National Company Law Tribunal (NCLT) ordered Devas be liquidated on the grounds that it was incorporated in a fraudulent manner to siphon funds to dubious foreign accounts.

With the SC refusing to interfere at this stage, it is a serious setback for Devas. The liquidator could withdraw the company's demand against Antrix; alternately, the court may refuse to enforce the arbitral award. The government's line of reasoning has been that the arbitral tribunal improperly exercised jurisdiction over a national tax dispute that India never agreed was a subject of the arbitration.

Each time the Indian government refrains from acknowledging an arbitration award and challenges it, the country's reputation for respecting awards takes a knocking. Last December, the British oil and gas explorer, Cairn Energy Plc (CEP), won an arbitration tribunal award of $1.2 billion plus interest and costs against India, but the government has decided to challenge it. A few months before that, in September, an international arbitration court at the Hague ruled the Indian government's demand of ₹22,100 crore in taxes from Vodafone Plc, by taking recourse to retrospective legislation, was in breach of a treaty between India and the Netherlands.

To be sure, the retrospective amendment to a section of the I-T Act had been made much earlier, in 2012—during the tenure of then finance minister Pranab Mukherjee. However, even as the amendment cost the UPA-2 its credibility, the NDA, worryingly, hasn't remedied the situation. Indeed, the legal dispute between Cairn Plc and the Indian government has taken an ugly turn with the British oil major filing a lawsuit in New York, seeking to enforce the arbitral tribunal's award by seizing assets of Air India. Such spats are unseemly. In the recent years, state governments too have made a habit of reneging on contracts, especially power purchase agreements in the renewable energy space, putting crores of rupees of investment at risk. Foreign investors looking to set up shop in India would be uncomfortable with such regulatory uncertainty. Indeed, local players too are apprehensive of policy flip-flops and of the absence of a level-playing field. In a country where ease of doing business is yet to improve to make it truly competitive, companies must at least be sure of the rules of the game. Vodafone and Cairn have made huge investments in India. Their capital must be respected.

Relook XII scoring formula

Lower XI-score weight, increase XII-internal assessment weight

THE SECOND SURGE of Covid-19 and the lack of vaccines for children compelled the authorities to cancel XII board exams, including CBSE's. However, the evaluation formula that CBSE has come up with—approved by the Supreme Court—may not be the best way to assess students' performance. The CBSE's proposal assigns a 30-30-40 weightage to the performance in Class X, Class XI and Class XII (in either one or more unit test, mid-term or pre-board exam). The final decision will rest with the Result Committee comprising the principal, two senior-most teachers of the school and two class XII teachers from a neighbouring school.

For the Class X performance, the three best scores—from any subject—are to be considered. To minimise school-level variations, schools will be required to moderate marks on the basis of historical performance in the board exams; the best performance in the last three years will be the benchmark. Bringing in Class X performance is a good idea because it assesses the calibre of the student over a longer period of time, with the focus being on foundational education. Most experts view Class XI as the year of 'transition', in which students, especially in the science stream, are introduced to a much larger and deeper syllabus across subjects than they had been used to so far, and this would likely have an impact on their scores. Indeed, usually, the first year of senior-secondary school is mostly about getting students accustomed to the syllabus and the pedagogic rhythm that so sharply differs from that of the secondary school years. Therefore, the weightage for Class XI scores could be lowered slightly and that for Class XII scores be raised commensurately. It would be pragmatic to base the score on an internal assessment during Class XII, with some concessions for the hurdles faced in online learning and digital exams that have marked the academic year affected by the pandemic.

While the idea to involve neighbourhood schools is perhaps meant to serve as a check against schools dressing up students' performances, it also opens a window for perverse collaboration. The examination option for students dissatisfied by the proposed evaluation process would seem pragmatic, but two such sharply distinct evaluation methods may erode universal acceptance of results from either set, causing further confusion. The boards must come up with one uniform evaluation format.

Given Class XII marks mostly carry qualifying value for most entrances—though, in the case of admissions to courses under universities like Delhi University, they play a far more important role—the government would do well to shift to common entrance tests for university admissions. A common exam, on the lines of the American SAT, has been talked about for year now, but little has happened. Meanwhile, the Central Universities Common Entrance Test (CUCET), for undergraduate admissions to central and state universities, serves a mere 14 of the 45 central universities and just four state universities; the more reputed Delhi University, Jawaharlal Nehru University and BHU are yet to sign up for this. Addressing the pandemic impact on education calls for unconventional measures; the Centre and the states much work on this together.

FROM PLATE TO PLOUGH

HIGH TIME THAT POLICYMAKERS REVISIT THE ENTIRE GAMUT OF RICE AND SUGAR SYSTEMS, FROM MSP/FRP TO PRODUCTION AND PROCUREMENT, ENSURING 'MORE CROP PER DROP'

How sustainable are our agricultural exports?

ASHOK GULATI & RITIKA JUNEJA

Gulati is Infosys Chair Professor for Agriculture and Juneja is a Consultant at ICRIER

AGRICULTURAL EXPORTS TOUCHED $41.8 billion (bn) in FY21—a growth of 18% over FY20—bringing cheer in government circles. Juxtaposed against a target of $60 bn the Modi government had set out to achieve by 2022, it falls much short. From a strategic point of view, the key issue is whether this rate can be sustained? For that, we look at the composition of agri-exports.

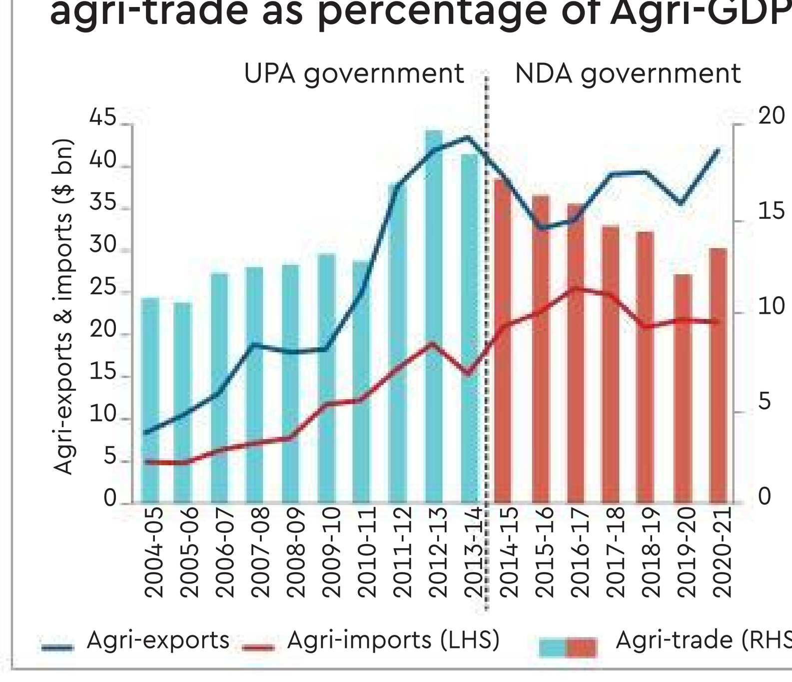
Rice ranks first in agri-exports, with 17.7 million tonnes (mt) valued at $8.8 bn. It is followed by marine products ($6 bn), spices ($4 bn), bovine (buffalo) meat ($3.2 bn), sugar ($2.8 bn), etc *(see graphics)*. Of these, rice and sugar raise concerns about competitiveness and environmental sustainability, as these are water guzzlers and heavily subsidised through cheap/free power for irrigation as well as fertilisers. On top, sugar exports have been further subsidised to clear excessive domestic stocks. This has led many sugar-exporting countries like Australia, Brazil, Thailand, etc, to register a case against India at WTO.

However, our main concern with the surging rice and sugar exports is on the sustainability front. India is a water-stressed country with per capita water availability of 1,544 cubic-metres in 2011, likely to go down further to 1,140 cubic-metres by 2050. One kg of sugar invariably has virtual water intake of about 2,000 litres. Exporting 7.5 mt of sugar implies exporting at least 15 bn cubic-metres of water. In case of rice, irrigation requirements for one kg vary from 3,000-5,000 litres, depending upon topography. If we take an average of 4,000 litres, and assume that half of this gets recycled back to groundwater, exporting 17.7 mt of rice means virtual export of 35.4 bnn cubic-meters of water. Together rice and sugar exports imply India exported over 50 bnn cubic-metres of water. Any sustainable strategy for rice and sugar exports must ensure these are produced with much less water by adopting appropriate farming practices such as alternate wetting drying (AWD), direct seeded rice (DSR), drip irrigation, etc.

But, at a broader level of agri-trade, it may be noted that in the seven years of the Modi government, agri-exports have remained lower than the level reached in FY14 ($43.3 bn) *(see graphics)*. That's the year when maximum agri-trade surplus (exports minus imports) was generated ($27.8 bn). That's also when Indian agriculture was most globally integrated, with agri-trade (exports plus imports) touching 20% of agri-GDP. It has slid to 13.5% by FY21, indicating India is becoming less competitive in exports and more protectionist in imports, presumably in the name of Atmanirbhar Bharat. A long-term strategy should aim at conserving scarce water resources, reduce carbon footprint, with lower tariffs. Closer evaluation of non-basmati exports reveals another interesting fact: These exports are actually sourced not only below-MSP, but also below the average *mandi* prices in the country, after one adjusts for freight from *mandi* to port and loading charges at the port. How does that happen? One possibility is that part of the supplies through PDS and PM Garib Kalyan Yojana are leaking out and swelling rice exports.

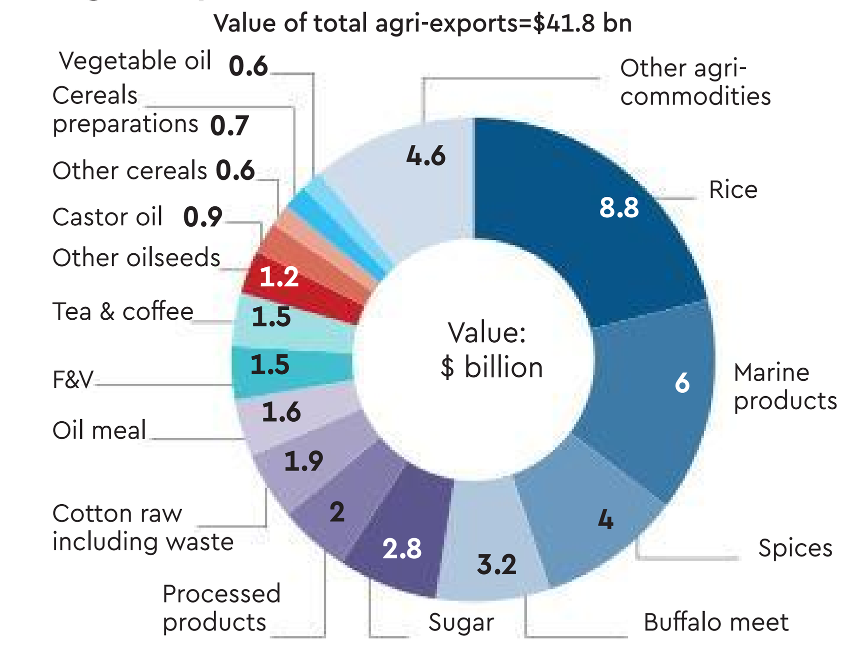
It is high time that policymakers revisit the entire gamut of rice and sugar systems, from their MSP/FRP to their production and procurement, ensuring 'more crop per drop'. In case of rice, procurement will have to be limited to the needs of PDS, and within PDS it is high time to introduce the option of direct cash transfers. All these will go a long way to promote better diversification of our agri-systems, better use of our scarce water supplies, lesser GHG emissions, save on unproductive use of financial resources locked up in burgeoning grains stocks with the FCI. And all these savings can be used for doubling investments in agri-R&D to improve productivity on sustainable basis and improve farming practices for minimising carbon emissions. An export-led strategy also needs to minimise logistics costs by investing in better infrastructure and logistics. Only then one can ensure sharing the returns of these investments with farmers to give them better deal in terms of higher and more stable incomes.

Value of agri-exports and imports and agri-trade as percentage of Agri-GDP



Agri-exports from India (FY 2020-21)

Value of total agri-exports=$41.8 bn



Source: DGCIS

No shot in the arm for vaccine equity

The closed vaccine value-chain geography prevents egalitarian distribution of vaccines. Such a possibility, which might have come from patent waivers, is becoming remote by the day

AMITENDU PALIT

Senior research fellow and research lead (trade and economics), Institute of South Asian Studies, NUS. Views are personal; *amitendu@gmail.com*

VACCINE-PATENT WAIVERS by WTO can be of great help in fighting Covid-19. But the waivers are getting delayed. Besides, the narrow geography of the global vaccine-making chain raises concerns over imbalance in vaccine distribution. Vaccine-making countries will control production and distribution even after waivers. The fight over patent waivers at WTO will mainly be fought by these countries, over protecting intellectual property of their vaccine-makers. The waivers would enable countries like India with strong vaccine-making capacities to churn out large quantities.

Vaccine production is dominated by the G7—the US, the UK, Japan, Germany, Canada, France and Italy—along with some from the G20 (Argentina, Australia, Brazil, China, India, Russia and South Korea). The EU dominates due to proficiencies in Germany, France, Italy, Switzerland and Belgium. The vaccine supply-chain requires sourcing both essential and supporting chemical ingredients and non-chemical inputs. Cholesterol and mRNA are examples of essential ingredients of some Covid 19 vaccines. L-histidine, acetic acid and sodium chloride are among common supporting ingredients. Syringes and vials are non-chemical inputs key to adminstering vaccines.

The global vaccine value-chain is predominantly concentrated among major producing countries. Several are leading vaccine exporters and importers as well. Their two-way trade reflects large domestic capacities and abilities to export, as well as high internal demand for a variety of vaccines requiring imports. France, UK, US, Germany and India were among the top vaccine exporters in 2019. They were also among the largest importers. At the same time, the largest vaccine producers are also major sources of vaccine ingredients. The import dependence of major vaccine producers on each other for sourcing of ingredients is strikingly high.

Research on cross-border trade flows for essential ingredients of Covid-19 vaccines (*bit.ly/3wQxaqh*) reveals these dependencies. India, for example, imports nearly three-quarters of essential ingredients, with heavy dependence on the US and the EU, followed by China. China is more dependent on the US than India for imported ingredients. The US is notably more reliant on the EU and Japan for these ingredients. The mutual dependence between the US and EU is noteworthy. While the US sources around 38% of the key ingredients from the EU, the latter obtains more than 50% from the US.

The geography of the vaccine value-chain has interesting implications. Presently, the race is dominated by Pfizer, Moderna, AstraZeneca, Johnson & Johnson, Russia's Gamaleya Institute and Sinovac Biotech. The American, European and British firms are competing with the Russian and Chinese firms. The former enjoy higher credibility, enabling them to enter into advance purchase agreements with various countries. Patents held by these firms are being keenly eyed by Indian firms and other producers with large capacities. The pressure to protect patents and resist waivers at the WTO would be from US and EU pharma firms. This is encouraging many of them to enter into voluntary licensing agreements with vaccine makers like Serum Institute of India and Biological E. Once waivers come, these licensing opportunities might cease.

These voluntary licence agreements would ramp up vaccine supplies in India. But they are unlikely to benefit poor countries. Bulk of the 'Made in India' vaccines would be delivered to countries with whom contracting foreign firms have purchase agreements. Several of these countries will likely be main vaccine producers themselves, particularly the OECD nations, that are ahead of the rest of the world in vaccinating their people.

More vaccines made in India doesn't mean more vaccines for the global poor. The closed vaccine value-chain geography prevents egalitarian distribution of vaccines. Such a possibility might have come from patent waivers, but is becoming remote by the day, as waiver talks get delayed and voluntary licence agreements proliferate.

Navigating the complexities of ESG compliance in India

Environmental, social and governance norms have moved from the margin to the centre-stage

RAJESH NARAIN GUPTA

Managing Partner, SNG & Partners

THE PERCEIVED CHARACTER of businesses as mere revenue-generating and profit-earning entities is undergoing a transformation. The modern-day corporate ecosystem is deemed to have a social character with an added layer of moral duty and responsibility towards the environment, society and community within which it operates. This has given rise to the environmental, social and governance (ESG) concept, with investors and other stakeholders demanding greater transparency and accountability in the functioning of business organisations.

The environmental aspect assesses how effectively companies reduce their carbon footprint, institute best practices for pollution and waste management, and embrace circular economy. The social aspect deals with creating fair value propositions for society, health and safety of employees, gender equality at work, social and economic mainstreaming of disadvantaged communities, and engaging with customers in a fair and transparent manner. The governance aspect deals with a company's corporate governance structure, timely financial audits, business ethics and opposition to practices like bribery and corruption.

The earliest tryst India had with ESG compliance was when it became the first country to mandate the practice of CSR with the Companies Act 2013. Market regulator Sebi played a proactive role in making corporate India responsive to the implementation of an efficient ESG policy mechanism. New norms for ESG disclosures were introduced in 2020 by the market regulator for the country's top 1,000 listed entities by market-cap. It became mandatory for these entities to comply with disclosure norms by FY22.

The concept of ESG lends credence to the fact that businesses are accountable to their stakeholders. This tenet was ingrained in National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business released in 2011 and incorporated in the Companies Act 2013. NVGs mandate a company and its directors to essay greater responsibility towards internal stakeholders like employees and external ones like the environment and community. NVGs were subjected to further upgrades and updated as the National Guidelines for Responsible Business Conduct (NGRBC) in 2019. The top 500 listed firms in India by market-cap have been instructed by the regulator to disclose indicators of business responsibility and sustainability through Business Responsibility Reporting (BRR). Based on NGRBCs, existing BRR has been updated to facilitate the inclusion of current global practices in non-financial sustainability reporting. The Report of the Committee on Business Responsibility Reporting was unveiled by the Ministry of Corporate Affairs on August 11, 2020.

ESG funds are witnessing growing interest in the Indian mutual fund industry. An increasing number of corporates will adopt this concept under social and regulatory pressure to attract private equity. Banks and financial institutions are bound to give better rates of interest to companies following ESG norms.

Investors belonging to the millennial generation have been the driving force for the surge in ESG-driven investments; most such investors prioritise investing in companies that not only generate a substantial return on their investment, but also have clearly defined ESG goals.

Banks and financial institutions are likely to consider Green Finance more and more, to ensure flow of funds into ESG-compatible projects like EVs, solar, etc. Bodies like the World Bank would focus on screening ESG credentials of countries while offering long-term loans and developmental assistance to them.

ESG has moved from the margin to the centre-stage. With ESG compliance becoming policy imperative, companies need to demonstrate ethical leadership and a collective wisdom to achieve expectations under the global theme of ESG.

Regd. No: DL -21048/03-05. R.N.I. No.26750/74. Printed and Published by R.C. Malhotra on behalf of The Indian Express (P) Ltd and printed at The Indian Express (P) Ltd Press, A-8, Sector-7, Noida - 201301 and published at The Indian Express (P) Ltd, Mezzanine Floor, Express Building, 9 & 10, Bahadur Shah Zafar Marg, New Delhi-110002. Phone: 0120-6651500. (Cover price: Patna: Mon-Fri ₹8, Sat & Sun ₹10; Raipur: Mon-Fri ₹8, Sat & Sun ₹10) Chairman of the Board: Viveck Goenka, Editor (Delhi) Shobhana Subramanian* (*Responsible for selection of News under the PRB Act)

Education

MONDAY, JUNE 21, 2021

HOLISTIC MARKING SOLUTION

Rajiv Bansal, Global Indian International School

Grade XII students of 2020-21 deserve effective evaluation ... authorities have done justice in arriving at a holistic marking solution. Assessment based on marks obtained throughout Grades X, XI and pre-board results of XII will ensure that every student gets a fair chance of performance evaluation.

INFORMATION TECHNOLOGY

The way ahead for tech students

Should they focus on specialisation or should they be multi-skilled?

VIKRAM CHAUDHARY

LAST WEEK A global report caused a stir in the Indian information technology (IT) industry; it noted that with automation taking place at a much faster pace in the tech space, Indian software firms that employee over 16 million people are set to slash headcounts by 3 million by 2022.

While industry body Nasscom refuted that—and said that the top-5 Indian IT companies are planning to add over 96,000 employees in 2021-22—it doesn't take away the fact that, to stay relevant in their job, IT employees need to constantly upskill or reskill themselves.

Robotic process automation

The above report mentioned that a lot of job losses will be driven by the impact of robotic process automation (RPA)—software robots that emulate humans actions, interacting with digital systems/software.

Siddhartha Gupta, CEO, Mercer Mettl, the global talent assessment company, told *FE* that job replacement by RPA is a reality. However, he added that while current IT jobs with low-skill requirements might become redundant, these will be replaced by new job roles with high in-demand skill requirements. "Organisations need to invest in upskilling, reskilling and capability-building programmes to get their workforce ready for the new world of work," Gupta said. "Reskilling interventions are no more a good-to-have necessity, but a business imperative."

Aditya Malik, CEO & MD, TalentEdge, an edtech major, added there are numerous opportunities in the current trends. "The need of the hour is to pace ourselves with digital automation—the Fourth Industrial Revolution," he said. "Change is inevitable, and the current change would benefit those who adapt to it."

During the pandemic, edtech, fintech, healthtech, consulting, AI, ML, cybersecurity, gaming, analytics, cloud computing and data analytics have flourished. This, Malik said, has raised the demand for a tech-savvy workforce. "Employees should upskill and reskill themselves irrespective of their job status," he said.

Upgrading your skills

Analysts added that upgrading skills should be a lifelong process. Rahul Kapur, partner, Growth Advisory, Grant Thornton Bharat, said the IT sector follows a cyclical trend where new talent takes over and the old talent upskills to get back in the headcount. "RPA, cost reduction and increase in efficiency have been the core for any large IT outfit and they manage to maintain balance by laying-off their bench regularly. Considering that mid-sized IT companies are witnessing traction as more traditional businesses become dependent on IT tools, the existing talent will find abundant work," he said. "However, the existing talent will do well to upgrade their skills."

ILLUSTRATION: ROHNIT PHORE

Engineering students

While the existing talent must upskill to stay relevant, how should technology students ready themselves for jobs in an area where there is high employee churn?

Sunny Zafar, advisor, Career and Placement Cell, IIT Mandi, told *FE* that students need to make themselves highly skilled as well as multi-skilled. "They need to have functional knowledge about the areas around their specialisation. For example, most companies may expect developers to know the basics of marketing," Zafar said. "Tech stack and other technologies are changing very fast, and so upskilling and reskilling must be a continuous process."

Prof T Venkatesh, from the Department of Computer Science and Engineering, IIT Guwahati, added that while IIT students may not be negatively impacted (by RPA) as most of them are recruited for positions that require high-end skills—and such positions are unlikely to be automated in the near future—the services sector jobs might be majorly impacted.

Assistant Prof Karthick Seshadri, who heads the Department of Computer Science and Engineering at NIT Andhra Pradesh, said layoffs or downsizing at any IT firm can happen due to reasons such as economic contraction, low returns on the cost of an employee, automation, obsolescence of technical skills and non-performance of client firms in case of service companies, among other reasons.

On how current students should go about upskilling themselves, Prof Seshadri has a suggestion: "In Computer Science and IT, like any other engineering domain, there are four vertically-stacked layers across which one needs to develop skills. These layers from the bottom to the top are Theory, Systems, Technology and Application. The rate of evolution of the top layers is more rapid as compared to that of the bottom layers. However, the skills gained in the bottom layers are typically transferrable and provide a strong foundation to comprehend and adapt to the rapidly-evolving higher layers. Many students tend to overlook this and attempt to go behind jargons and trends in the top-level layers of this stack without paying much attention to grasp the underlying principles in the bottom layers."

Kapur of Grant Thornton Bharat added IT graduates will never lose charm as companies will hire on campus. "The more specialised courses will be preferred, but IT skills need to be upgraded as tech changes fast. IT graduates seldom get to use what they learnt in colleges and, hence, they must keep themselves updated," he said.

The message here is that current students must be future-ready, and prepare for in-demand skills. "They must be aware of the direction in which technology is headed, identify the areas where new job opportunities will spring up, and consciously reskill and upskill in those future skills," Gupta of Mercer Mettl said.

Hyper-specialisation

Malik of TalentEdge added that while companies are looking for candidates with multiple skill sets to save costs, this has not depleted the importance of specialisation. "For instance, a specialised management degree coupled with a niche understanding of fintech or edtech or data analysis is preferred over a general management course," Malik said. "At the same time, tech students must adopt a balanced approach towards enhancing their core expertise, interests and gaining new skills apt to current market requirements."

At the end of the day, while hyper-specialisation is not lost, being multi-skilled is possibly the way to go. "We are entering an era where you need to have to 2-3 livelihood options. Digital skills add a safety net, as do entrepreneurship certifications," said Rituparna Chakraborty, co-founder, TeamLease Services.

"If you're multi-skilled, you will thrive."

LIFELONG UPSKILLING

- IT employees need to upskill;
- RPA replacing jobs is a reality;
- Students must be multi-skilled;
- Specialisation plus 2-3 skills;
- Enterprising persons will thrive.

PEARSON REPORT

The value of IT certification

IT employees need to upskill throughout their careers

FE BUREAU

IN ITS LATEST '*Value of IT Certification*' report, Pearson VUE, the computer-based certification and licensure testing major, has revealed that the validation of skills through certification continues to have significance for professionals wherever they are on their career pathway.

Cloud certifications: As Covid-19 accelerated the adoption of digital tools by organisations, the report revealed that the demand for skills in cloud computing increased. Respondents said that 28% of all certifications they earned in 2020 were in cloud computing (IaaS, PaaS and SaaS).

Upskilling is a lifelong activity: The benefits candidates experienced from certification include more confidence (91%), greater determination to succeed (84%), feeling more respected by colleagues (76%), greater job satisfaction (76%), and greater autonomy at work (74%). Also, 86% of candidates who earned certifications in 2020 plan to pursue additional certifications over the next 12 months.

The demand for skills in cloud computing goes up substantially

The report noted that employers who support employee credentialing see significant improvements in their workforce, with employees being more productive, more efficient, more fulfilled and more loyal. When employers covered certification costs, employees were less likely to be interested in seeking new opportunities outside of the company (74% compared to 87%), reducing employee turnover.

NEWS BRIEF

IIMA starts a centre for leadership

Indian Institute of Management, Ahmedabad (IIMA), has launched the Ashank Desai Centre for Leadership and Organisational Development (ADCLOD). The endowment has come from Ashank Desai, founder and former chairman of Mastek, and an IIMA alumnus. "Through the centre, our faculty will research on the changing dynamics of leadership and translate the outcomes into knowledge that will equip leaders with best practices for improvement," said Prof Errol D'Souza, director, IIMA.

Internshala to offer free skills to staff

The recruitment and training platform Internshala has introduced a new policy for the learning and development of its employees and their immediate family members. As per it, all employees and their immediate family members will be able to learn in-demand skills from Internshala Trainings free of cost.

FE BUREAU

Science & tech

Animal & surprising answers on stress

Studies on whales and other creatures reveal how health is affected by a hard time, whether it's a pandemic or a personal crisis

FAYE FLAM

CONSIDERING HOW BAD stress is supposed to be for our bodies, it's still a confusing concept. Is it worse for our health to have too much work or too little? To have too much responsibility or to be bored? The Covid-19 pandemic triggered lots of stress—even in people who never got the virus. It's not clear how much the forced isolation, fear or job loss harmed our health.

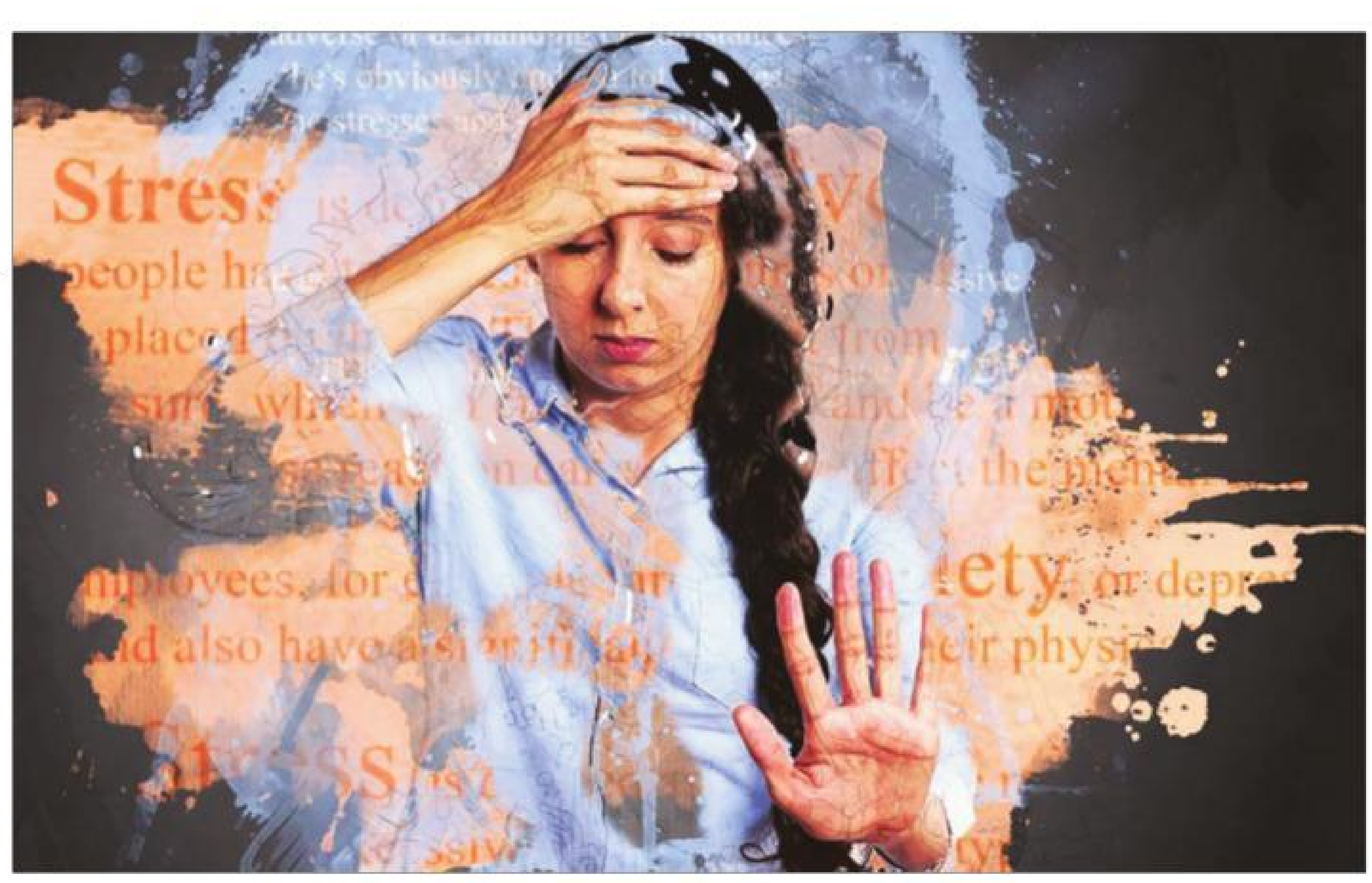
But scientists are starting to identify the kinds of stress that damage us physically by studying other species—not just lab rats, but animals from whales to iguanas to fish. That research has already generated some understanding of the harms we have imposed on them through captivity, pollution and underwater noise. It might also help us understand the harms we impose on each other.

Decades ago, scientists established a questionable narrative that stress was associated with "Type A" personalities—eople who try to do too much. Much of the foundational research was funded primarily by the tobacco industry. That research came out at a time in the mid-20th century when heart disease had been sharply rising in the United States in parallel with the rise in smoking.

The tobacco-funded research propagated the message was that it wasn't smoking that was killing people but our busy "modern" lifestyle combined with Type A personalities and behavior. But no reliable, repeatable studies ever backed up a link between heart disease and Type A behavior or personalities.

But others over the years suspected there was something valuable there that needed to be untangled. "It's been so hard to define stress that people have made proposals that we jettison the world from science," says Michael Romero, a Tufts University biologist. "For many years people were asking what is a stress response ... It's something that the body initiates in response to a noxious stimulus called a stressor," he says. "And what is a stressor? That is something that turns on a stress response." It's a circular definition.

He says he had a flash of insight early in his career when he travelled to the Arctic—a wet, cold, and seemingly stressful place. It was stressful for him, but not for the native animals. They were adapted to live in that environment.



The current understanding equates stress with environmental conditions more than with behaviour. Romero says unhealthy stress in animals comes from extreme weather events such as storms or floods–things that go beyond what they're adapted to. The other major causes of stress are predators, famine, infectious disease, social conflicts and human-generated environmental changes—chemical and noise pollution, for example.

Stress hormones represent an evolutionary trade-off. They can be lifesaving in an emergency by channeling energy to a fight or flight response

A few years ago, he studied marine iguanas in the Galapagos. A group of them survived a terrible oil spill, but those with the most elevated stress hormones were more likely to die months later. Another study in fish showed that those living downstream of a mining spill showed hormonal changes associated with stress.

In his favorite stress research technique, scientists measure stress hormone levels in Eastern right whales by using dogs to sniff out fresh whale feces, which contain stress hormones (and happen to float for about an hour after being deposited). Those studies revealed that noise and fishing lines create stress, but that whales' stress levels plummeted in the days that ship traffic subsided, temporarily, after 9/11.

He says stress hormones represent an evolutionary trade-off. They can be lifesaving in an emergency by channeling energy to a fight or flight response.

Most stress-related disease seems to be connected to problems regulating the hormone cortisol, he says, which is an anti-inflammatory substance. This can be beneficial—think of the most effective drug against acute Covid-19, dexamethasone, which is an anti-inflammatory. But anti-inflammatory substances can also suppress the immune system, so a long-term cortisol imbalance can leave an animal more vulnerable to viruses, bacteria or parasites.

And stress can help animals by shutting down fertility during times when it might be unfavorable to reproduce—when there's too little food, for example. That's been documented in humans, too. Women who have recently survived famines or been freed from concentration camps are unlikely to get pregnant.

There's a popular idea about "the upside of stress"—which is the title of a popular TED talk and book by a psychologist who said she had once been wrong to tell patients to avoid stress.

The problem with that thesis is that if the source of stress is something people can avoid, then it probably isn't the health-destroying kind of stress that's killing whales and iguanas, and probably people as well.

Stimulation, challenge and excitement may be something we humans are adapted to live with – just as those arctic creatures are adapted to extreme cold. As I learned from biologist Lori Marino, a lack of challenge will also stress out and sicken captive marine mammals. When they're in captivity, she said, people used to think they led "cushy" lives, with abundant food, safety and no need to work beyond performing in shows. But they die much more often of infectious disease than their wild counterparts even though they usually live in clean, filtered water.

They were clearly suffering psychologically, she says. Captive orcas are known to bash their heads against the walls and shatter their own teeth. "It becomes a situation where there's really no escape ... they are literally bored to death."

While fewer animals are captured today, those born in captivity are still stressed. They may not know a different life, but evolution shaped them to live in an open ocean surrounded by others of their species—not the solitary confinement of a tank.

The lesson for us is that it's not enough to tell people to focus on the positive—or to avoid stress, which looks to be rooted in environmental factors rather than behavior. You might not be stressed by working 80 hours a week if you love what you do. If you hate your job, on the other hand, you can avoid one source of stress by quitting, but might risk replacing it with the stress of being short of money.

But maybe those animals can guide us toward ways to change the way we treat each other. That way we can help each other through the rest of this pandemic and be less vulnerable to the next one.

Bloomberg

Panchantra for children

A start-up begins voice-tech enabled Panchantra series on Covid-19 preparedness for children

FE BUREAU

HIVOCO, THE voice-tech education & learning app, has launched what it says is the world's first voice-interactive stories series for children, called the Panchtantra Interactive. The Panchtantra stories—an ancient Indian collection of interrelated animal fables in Sanskrit verse and prose, arranged within a frame story—will be used by HiVoco for teaching kids about Covid-19-appropriate behaviour in a combination of child psychology and pandemic science.

"With the third wave of the pandemic expected to affect kids up to 15 years' old, the interactive stories will guide younger kids to embrace good hygiene habits in a mission-critical way by reassuring them, educating them, and giving them a positive role in the household," HiVoco said.

The Panchtantra interactive stories include self-hygiene practices that are medically-prescribed including washing hands periodically, using hand sanitisers and disinfectants, wearing masks, along with mental and emotional well-being. "We are also focusing on creating a bank of popular stories from mythology, history and science to build a values-based learning," HiVoco added.

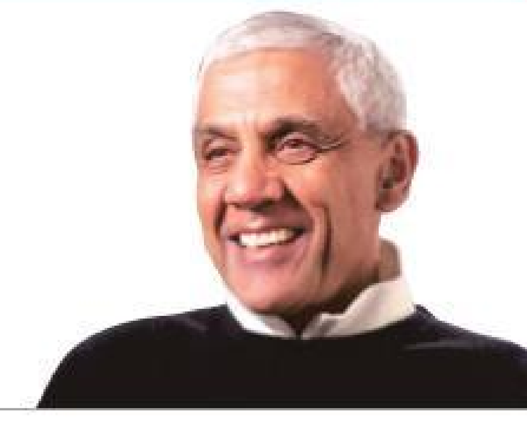
The Panchtantra stories will be used by HiVoco for teaching kids about Covid-19 behaviour in a combination of child psychology and pandemic science

HiVoco is a two-way audio interactive platform where teachers and story-tellers provide interactive content and quizzes to children of 4-10 years of age. HiVoco (Voco stands for Voice Companion) is a platform where students learn from over 5,000 questions, lessons and stories. The app uses multiple voice-tech tools, and the start-up aims to have at least 80% of the content available for free use throughout so that children can access high-quality content and conversational learning.

HiVoco founder Pritesh Chothani said that early education is all about conversations. "The more they talk, listen and respond to these conversations, the more they learn. That is the core principle behind HiVoco. We want the best teachers and storytellers to engage children in a one-to-one conversation and in that explain the most complex stuff. With Panchatantra Interactive, we want the kids to be at the centre of the stories," he said. "We want them to not only learn but also take decisions inside the story about Covid-19 appropriate behaviour."

eFE

MONDAY, JUNE 21, 2021



BUSINESS TALK

Vinod Khosla, Indian-American businessman

Have belief in what you are doing, that is updated with input from outside but not easily shaken. I always tell founders be obstinate about your vision but be flexible about your tactics.

PROFILE BUILDING PLATFORM

Marks don't matter for a dream job but your 'profile' does

CareerLabs offers end-to-end career solutions to students, helping them achieve their goals after graduation, be it higher studies or placements, through its profile building platform

SUDHIR CHOWDHARY

BENGALURU-BASED CAREERLABS, founded by the ex-leadership team of Byju's is helping students prepare for their professional life beyond college in the post-Covid digital-first world through its profile-building strategy platform. Usually practised by experienced working professionals, the team at CareerLabs is making this strategy accessible to students pursuing their graduate degrees, and guiding them on how to build an organised and well-strategised profile that will catapult them to a higher professional growth trajectory. With its innovative CareerWizard and Profile-Building platforms, CareerLabs has guided more than 200,000 students in the last two years.

"In fact we have launched scholarships worth ₹2 crore for few of our programmes to help students during these Covid times and this has helped a number of students from tier 2 and tier 3 cities who are coming from economically disadvantaged backgrounds during these challenging times. This has created a huge impact on their lives," says Prasanna Alagesan, co-founder, CareerLabs.

The main theme of some of the workshops that CareerLabs does with the student community these days revolve around Covid impact on placements and higher education. CareerLabs also conducts panel discussions for training and placement officers with HR and talent acquisition leaders of companies to help them understand the new recruitment norms in Covid times, latest technologies for which freshers are getting recruited and also on how to train students for the new recruitment process.

Take for instance, Dimple, a 21-year-old student of Bharath University, Chennai, who wanted to become an aerospace engineer. CareerLabs team convinced her to pursue a practical internship in virtual design of aerospace components at Kaashiv Infotech, rather than limiting herself to theoretical learning. Despite the pandemic, she upskilled herself by learning structural stress engineering using CATIA V5, and used her new skills to design a 320-seater long range aircraft for her final-year project. Today, she is doing her masters in aerospace engineering from Arizona State University.

A goal without a plan is just a wish. Not all students understand the importance of investing time and effort into building their profile as a way to achieve their goals. CareerLabs' multi-pronged process of profile-building includes career discovery, which is supported by data insights as well as mentoring sessions tailored to guide the student. This leads to the next stage— skilling— the most crucial aspect of the journey. The skills go beyond theoretical study and allow students to gain hands-on experience on practical projects, internships, and papers, before leading them to the final stage of preparation for recruitment or higher studies.

Building successful profiles: CareerLabs co-founders (L-R) PN Santosh, Prasanna Alagesan and Kritikha Srinivasan

"The profile building journey is a year-long journey," says PN Santosh, co-founder, CareerLabs. "Most of the college students require hand-holding during these Covid times till they get into a good master program or the right career path. This is what the profile building journey is all about (unlike any other upskilling programmes)— help students identify the right path, upskill them, coach them through industry mentors, help them participate in hackathons/ workshops/ internships, provide the finishing touch through our finishing school and finally help them get into dream jobs / masters programmes. We have had great success stories from our cohort of students and it has dramatically increased a lot during these Covid times," he adds.

Madhuri Ravishankar's success story is another feather in CareerLabs' cap. She aspired to study chemical engineering, and went on to choose an undergraduate programme in chemical engineering at SRM University. However, a goal needs a plan and constant guidance. The CareerLabs team's guidance helped Madhuri in identifying opportunities to work with eminent professors from IIT Madras to sharpen her skills in quality by design and nanotechnology. She went on to publish three research papers, pursued further internships at IIT Madras, and went on to get a good score of 315 on the GRE. Consequently, she has succeeded in securing admission to the University of Pennsylvania and University of California San Diego, and is awaiting a scholarship confirmation from Aga Khan Foundation. All of this was made possible for Madhuri because of the guidance and validation she received from the team of mentors at CareerLabs.

Inspired by the idea of self-reliance and skill development, the team at CareerLabs believes that helping college students to develop their profile would be the most sustainable approach to improving the overall employability of youth in the country. "India's vision of 'Make in India' leading to Aatmanirbhar Bharat can be a reality only if India leverages its demographic dividend. With CareerLabs, we strongly intend to bridge this demand-supply gap and enable one million students to learn and earn better by providing everyone a chance to achieve a successful career, thereby, creating a motivated workforce." adds Santosh.

The concept of profile-building is a fresh way of approaching placement preparation for students and has been very well-received by students and higher education institutes. In the first year of operations, the 100-member team of CareerLabs reached out to more than one lakh students. Of these, over 30,000 students actively participated in the profile building journey and more than 3000 paid subscribers signed up for the profile building services and courses. The company has clocked more than $1.5 million in revenue since its inception, and is on a mission to enable 1 million students to learn and earn better.

In April, CareerLabs raised $2.2 million in Pre-Series A funding from Rocket Internet's VC fund Global Founders Capital and other influential angel investors to scale its platform. The startup strives to make its products accessible and affordable to college students all over India, including Tier 2 and Tier 3 cities. In the near future, the brand will reach out to more than 1000 colleges, offering more than 600,000 students the opportunity to discover their dream careers through its AI-enhanced career discovery engine, CareerWizard.

Tech Bytes

Gerd Deusser, executive vice president and head, Energy, Siemens

Smart products for smarter systems

SIEMENS WILL deliver advanced power transmission equipment with integrated digital technologies to steel manufacturers from Jalna MIDC belt, Maharashtra; namely, Icon Steel, Geetai Steels and Gajkesari Steels & Alloys. The installation includes 11 bays of state-of-the-art 132 kilovolts (kV) Gas Insulated Switchgears (GIS) which have a modular design and will enable increased efficiency, reduced operational costs and ensure safe operations even under extreme environmental conditions. The Gas Insulated Switchgears will be designed as Sensgear devices, first of its kind digitalised substation products that offer valuable data analytics applications for the transmission industry, manufactured at Siemens' Aurangabad Factory and based on digitalisation solution from Siemens globally.

Gerd Deusser, executive vice president and head, Energy, Siemens, said: "With enhanced data analytics, Sensgear devices will help our customers improve efficiency and sustainability of assets and operations."

Sensgear devices have a smart and robust IoT gateway securely transmitting the minimum amount of required information to a cloud-based storage and visualisation platform, providing operators with a comprehensive and quick overview about their assets.

Larsen & Toubro Infotech in cloud pact with AWS

ENTERPRISES ARE SEEKING speed and efficiency as they adopt cloud services to gain competitive advantages and improve customer engagement, says Sanjay Jalona, CEO & managing director, Larsen & Toubro Infotech (LTI). Recently, this technology consulting and digital solutions company entered into a strategic collaboration agreement with Amazon Web Services (AWS). LTI has launched a dedicated cloud unit for AWS which will focus on migration and modernization, SAP application workloads, data analytics, and Internet of Things (IoT), complemented by LTI's advisory, professional services, and delivery capabilities.

In addition, LTI will build state-of-the-art accelerators and create industry-focused cloud offerings for the banking and financial services, manufacturing, retail & CPG, media & entertainment, hi-tech, and insurance sectors.

Gadgets

BARSYS COASTER

Creating magical cocktails at home

Barsys Coaster is a compact and portable device that precisely measures each cocktail ingredient as it is poured to ensure a perfect drink in every glass

SUDHIR CHOWDHARY

THESE ARE PANDEMIC times, most of us are confined to our homes and quite a few among us are tempted to treat ourselves to a glass of wine, vodka or whiskey for a relaxed evening. Seasoned drinkers wouldn't normally advise mixing your drinks (we all know how badly that can end, but cocktails are a rare exception and knowing how to make them can be a great way to enhance your status as an ace bartender in your friend and family circles.

You can make cocktails at home by mixing the drinks in a glass or large bowl; the more experienced lot rely on a proper cocktail shaker. However, it's now time to let your home bar be the talk of the town with a new consumer-tech product. New York-based Barsys has introduced Barsys Coaster, a Bluetooth-enabled, app controlled smart device that guides the user on how to create a particular cocktail. By connecting the coaster to a mobile phone with the Barsys app downloaded, users can choose Barsys' existing library of cocktails or input their own recipe. Once a cocktail is selected, the user can simply start pouring ingredients one by one— the coaster will light up when the correct amount has been added to the glass. This reviewer has been making judicious use of this machine and quite frankly, it offers a new way to enjoy cocktails at home in a simple manner, without any hassles or spills whatsoever.

Priced at an affordable ₹5,500 and available through the Barsys India website (www.Barsys.io), the Coaster is a compact and portable device that precisely measures cocktail ingredients as they are poured, enabling users to prepare customisable drinks in the comfort and safety of their homes. The device is supported by the Barsys app (available on Google Play and App Store) which allows you to explore the world of mixology with various intelligent features like smart cocktail recommendations from its library of thousands of cocktail and mocktail recipes from brands and mixologists.

Furthermore, the user-friendly app discovers new cocktails you can make with the ingredients in your house and allows you to create and save your own cocktails and MixLists for virtual and physical events. The app aims to build a cocktail community and can be used with or even without the Coaster to discover the art of cocktail making.

How to use the Barsys Coaster is fairly simple: Users simply select the cocktail they would like to make on the Barsys Coaster app, place any glass on the Coaster surface, and follow the instructions on the Barsys Coaster app. The device vibrantly illuminates to indicate when to start and stop pouring each ingredient, making quality cocktails anywhere, anytime.

To get started, download the Barsys Coaster app. As mentioned before, Barsys is fully app controlled from your iOS or Android device. It comes preloaded with hundreds of cocktails and the ability to easily add your own signature drinks. The best part is, each drink is perfectly poured every time.

Let me explain its work methodology here. Barsys comes with a mobile app that communicates with the machine, thermally insulated containers that hold temperature for 15-18 hours as well as an interactive system that acquaints the user with the progress of their drink— all under 30 seconds. All you have to do is place your base spirits on top of the machine and your favourite mixers in the mixer containers provided with the machine. You can choose your cocktail from Barsys original recipes that will be recommended to you based on the liquor and mixers in the machine you may customise and make your own. Barsys will deliver your favourite cocktail within few seconds, by pouring each liquor independently and precisely.

Key takeaways: Barsys Coaster is quite a fun way to make an evening drink. I loved the app for its vast information and how it tells me what ingredients I need. Overall, a super useful and convenient creation from Barsys and a great way to try and discover new cocktails.

■ Estimated street price: ₹5,500

PTRON BASSBUDS SPORTS

Ready for the action, anytime anywhere

Bassbuds Sports earbuds are good sounding, tough and quite affordable

SUDHIR CHOWDHARY

NOWADAYS, WORKING OUT without wires is preferred by most fitness enthusiasts for the simple reason that they are not confined to one place. True Wireless Stereo (TWS) audio products—neckbands, headphones and earbuds—are increasingly becoming popular among the health-conscious lot. Towards this, homegrown digital lifestyle and audio accessories brand pTron has debuted its latest True Wireless Stereo (TWS) Bassbuds Sports earbuds. Available at a special launch price of ₹999 on Amazon India, these can withstand rigorous activities and are essentially made for bikers and runners.

With a secure dual lock function (inear fit with over the ear hook), the Bassbuds Sports buds cater specially to athletes looking to push themselves to the best of their limit without worrying about the buds falling out. The removable stability earhooks ensure secure fit all-day-long for daily commutes to more active pursuits. The highlight of the buds is its 32+ hours of playback with a very good bass delivery and crystal vocal clarity. From Death Metal to Bollywood hits, Bassbuds Sports is ideal for all workout jams. Midrange frequencies receive the most emphasis, making vocals stand out.

Equipped with Bluetooth 5.1 capabilities and USB C Fast charge, Bassbuds Sports offers fast connectivity and quick powering up round the clock. I reckon these are one of the most attractively designed workout earbuds on the market right now. It is built on strong features including quick connection to your device's voice assistant, must-have audio controls such as call, track and volume control, dual mics, solo bud use and more.

SPECIFICATIONS

- 32 hours playback (8 hours with earbuds)
- Dual lock; over the ear hook
- USB C Fast Charge with BTS 5.1
- All-weather proof IPX4 protected
- Smart controls with HD Call & Voice Assistant
- Estimated street price: ₹999

pTron Bassbuds Sports is available in three colours – Inspiring Yellow, Blooming Blue and the Classic Black. By far one of the most comfortable workout earbuds, the Bassbuds Sports can withstand just about any workout you put them through.

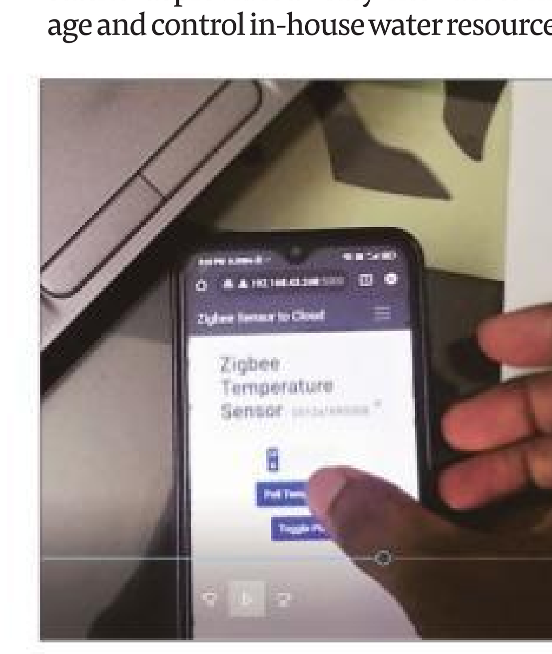
CONSERVE WATER

Modern tech to help save water

NIT-AP team develops Wi-Fi-mounted microcontroller to integrate sensors for smart rainwater harvesting

FE BUREAU

IT'S A SMART innovation straight from the labs. National Institute of Technology Andhra Pradesh (NIT-AP) students have developed a 'Wi-Fi mounted Microcontroller' that can integrate sensors for smart harvesting of rainwater. This system can automate the process of water storage, reduction in water-borne disease and efficient storage. The students from Team LinkLer aim to address water shortage in Indian cities by deploying niche technology such as Internet of Things and Machine Learning. The team developed an end-to-end software stack that provides an easy interface to manage and control in-house water resources.



The app control for the Wi-Fi mounted Microcontroller developed by NIT-AP students for smart harvesting of rain water

The system is an end-to-end technological solution for water mismanagement in cities. The system has been developed by students from various disciplines making it a robust, efficient and cost-effective solution. The system is customisable based on the demand of a household or an entity.

The unique aspects of the system developed by Team LinkLer include:

- Process automation and autonomous control
- Data analytics
- Web application coverage
- Machine learning for demand response and API integration
- Surplus storage feature

The system monitors waste water and supply systems such as rainfall recorded, water remaining in the storage tank, water quality index and water supply in a given area. The NIT-AP students have also designed an underground storage tank with a material capable of holding the water on a long-term basis and its treatment process being monitored on a feedback IoT system.

This project came from APJ Abdul Kalam's 'Open Innovation Lab' at NIT Andhra Pradesh. Team LinkLer, which won the 'India Innovation Challenge Design Contest' (IICDC) conducted by US-based Texas Instruments and department of science & technology (DST), is now undergoing Indian Institute of Management Bangalore's 'NSRCEL Technical Programme' to drive the product to the market.

Investor

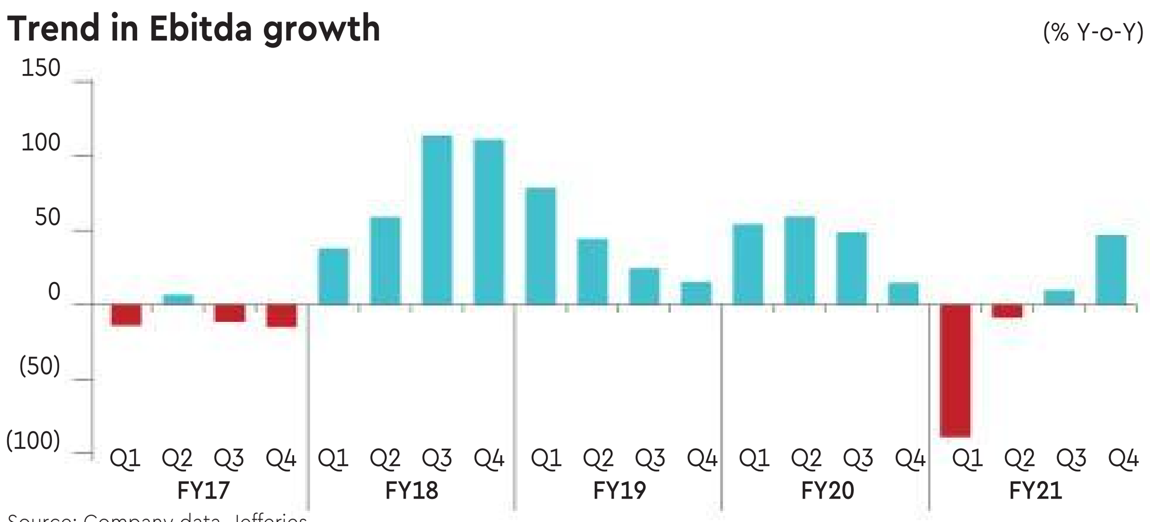
MONDAY, JUNE 21, 2021

EXPERT VIEW

JUBI remains resilient on growth as well as margins notwithstanding Covid 2.0. We slightly tweak the FY22-23 estimates by 1-2% and roll over to Jun-23. Maintain BUY with a revised PT of ₹3,700

—Jefferies

Trend in Ebitda growth (% Y-o-Y)



Source: Company data, Jefferies

JUBILANT FOODWORKS

RATING: **BUY**

Resilient showing in face of Covid-19

Store additions in FY21 beat guidance; TP up to ₹3,700; preferred pick in discretionary space; 'Buy' maintained

JUBILANT FOODS REPORTED an in-line quarter although y-o-y growth looks strong aided by a low base. Ebitda grew 47% y-o-y with earnings doubling y-o-y. Focus continued on Domino's store additions with 50 in Q4 and 134 for FY21, ahead of the guidance. Input price inflation (mainly cheese) showed up slightly on GMs although management expects to hold on to margins in coming quarters through self-help measures. We slightly tweak estimates and retain **Buy** with TP of ₹3,700.

In-line revenues: Q4 revenues grew 14% y-o-y, off a low base, in line with our estimate. On a 2-yr CAGR basis, growth improved to 9% vs. 7% in Q3. Reported SSS growth stood at 11.8% (15% adj. for store closure).

Channel trends: Delivery grew c.29% y-o-y, while takeaway grew 77%, which was an improvement from Q3 levels but off a low base. Own app witnessed stronger growth vs. aggregators. Dine-in recovery sequentially continued in Q4, with revenue decline at c.36% vs. c.58% in Q3.

GM decline q-o-q: GM declined 80bps q-o-q to 77.5% (up 3ppt y-o-y), slightly below estimate due to cheese price inflation. Mgmt however remains confident of maintaining margins in coming quarters.

In-line margins: Ebitda margin was slightly above, led by better cost management & op. leverage gains. Employee costs grew only 2% y-o-y, while other expenses grew 15% y-o-y. Resultant Ebitda margin expanded 5.4ppt y-o-y to 24.3%. Ebitda grew 47% y-o-y to ₹2.5 bn, in line with estimates (2-yr CAGR at 30%).

EPS growth: Earnings growth was further aided by lower-than-expected depreciation (-6% y-o-y). Pre-ex EPS grew 132% y-o-y to c.₹1 bn, 12% above estimate.

Second wave: JUBI's revenues have been far more resilient in the second wave. For example, against April-19, April-21 revenues were down c.6% (vs. >75% decline last year). Impact was slightly higher in May with c.13% decline over May-19 (-60% last year). Delivery growth was strong at 37% in April and 56% in May over 2019 levels.

Store additions: Q4 saw 50 additions for Domino's, with gross adds for FY21 at 134 cf. the earlier guidance of 100. The company will look to add at least as many in FY22 as well.

Beyond pizza: Hong's Kitchen and Ekdum! continued healthy growth in Q4 and revenues for Hong's have returned to pre-Covid levels. Management is optimistic of the growth prospects for Popeyes. Chicken is a ₹40-bn market growing in double digits in the last few years. JUBI will open the first Popeye store in FY22. No plans to increase stake in DP Eurasia.

New hires: JUBI has tweaked the leadership structure with the elevation of ex-COO Rajneet Kohli as Chief Business Officer for Domino's, ex-VP Operations Amit Maheshwari as the Head of operations. Ashish Goenka has joined as CFO from Bharti Airtel. Gaurav Pande of HUL has joined to head Popeyes. VP Supply chain Avinash Kant will be driving initiatives for an integrated supply chain.

Maintain Buy: JUBI remains resilient on growth as well as margins notwithstanding Covid 2.0. We slightly tweak the FY22-23 estimates by 1-2% and roll over to Jun-23. Maintain **Buy** with a revised PT of ₹3,700 based on 67x Jun-23 (₹3,050 earlier).

JEFFERIES

J K CEMENT

RATING: **REDUCE**

Realisations impacted Q4 performance

FY22/23e EPS cut by 4/2%; medium-term prospects are strong but positives factored in; downgraded to 'Reduce'

JKCE'S Q4FY21 ADJUSTED Ebitda was 14% below our estimate led by lower realisation due to lower trade sales and higher clinker volumes. The ramp-up at newly commissioned 4.2-mtpa capacity is driving growth and market share gain. Expansion plans in Central India are on track and provide strong medium to long-term growth visibility. After a significant re-rating and outperformance over the past two years, further upside from here appears limited. Downgrade to **Reduce** (from ADD).

Q4FY21—Ebitda miss on weaker grey cement realisations

JKCE reported revenues of ₹20.5 bn (+41% y-o-y, +17% q-o-q), adjusted Ebitda of ₹4.8 bn (+46% y-o-y, +7% q-o-q) and net income of ₹634 mn (+27,959% y-o-y-, 73% q-o-q) (adjusted for ₹2.3 bn of exceptional loss). White cement and putty volumes rebounded to 0.39 mn (+29% y-o-y, -5% q-o-q) whereas grey cement volumes grew to 3.5 mn tons (+48% y-o-y, +27% q-o-q). Blended realisation fell to ₹5,270/ton (-4% y-o-y, -5% q-o-q), lower than our estimate, due to increased non-trade sales and higher clinker sales. Costs declined to ₹4,042/ton (-5% y-o-y, -2% q-o-q). Adjusted Ebitda came at ₹1,228/ton (flat y-o-y, -13% q-o-q). For FY2021, Ebitda increased to ₹15.5 bn (+31%) (or ₹1,334/ton, +10%) on higher volumes (+19%), lower costs (-6%), offset by lower prices (-3%).

Central India expansion provides medium-term growth visibility

JKCE has completed its entire 4.2-mtpa capacity expansion project, which should drive volume growth from FY2021-23e. Nimbahera-line 3 upgradation work is expected to complete in Q2FY22. Further, JKCE has started work on setting up a greenfield 3.5-4 mtpa integrated cement capacity at Panna, Madhya Pradesh for a total capex of ₹29.7 bn and expects to commission by Q1FY24e. Increased diversification to Central India, attractive regional prices and demand prospects make the expansion project value-accretive. Net debt fell 38% yoy in FY2021 to 0.9X net debt/Ebitda. Net debt/Ebitda remains <1X over FY2022-24E despite growth capex.

> **The stock has been the best performing cement stock in the past two years. However, we now believe positives are well priced in**

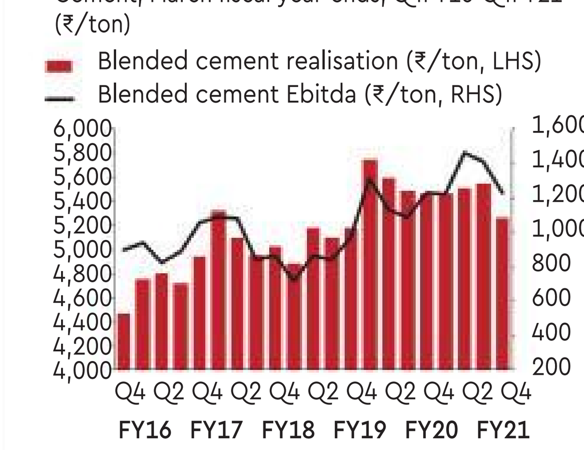
We revise FV to ₹2,450 (from ₹2,300)

We cut our EPS estimates by 4%/2% for FY2022e/23e mainly led by lower realisations. Our FV increases to ₹2,450/share (from ₹2,300/share) at 8.5X EV/Ebitda as we roll over to June 2023e. The stock has been the best performing cement stock in the past two years. However, we now believe the positives – (i) market share gain due to significant capacity addition over FY2020-21, (ii) attractive growth prospects and (iii) improved balance sheet are well priced in. At 10X EV/Ebitda FY2023E (adjusted for CWIP), we see limited upside and downgrade the stock to **Reduce**.

KOTAK INSTITUTIONAL EQUITIES

Blended cement Ebitda/ton declined 13% qoq to ₹1,228/ton on lower grey cement realisations

Realisation and Ebitda of blended cement at JK Cement, March fiscal year-ends, Q4FY16-Q4FY21 (₹/ton)



Source: Company, Kotak Institutional Equities estimates

CARE RATINGS

RATING: **BUY**

Robust final quarter for the company

Mkt share expected to grow; FY22/23e EPS up 10/12%; TP up to ₹825; Buy retained

CARE RATINGS (CARE) beat estimates with 21% consolidated top-line growth in Q4FY21. It outperformed peers amidst marginally lower credit growth leading to 1% growth in overall FY21 sales. With 39% decline in other expenses, Ebitda grew 2x y-o-y (40% above estimates).

With the new management team in place, CARE is looking to regain market share and accelerate revenue growth, enhance technological prowess, HR and rebrand the group. CARE arrested market share loss in FY21. We expect its market share to grow led by sharpened focus, and revise multiple to 25x (22x earlier) Q1FY23e, a 32% discount to peers. In the wake of improved performance, we revise up FY22/23e EPS 10/12%. Maintain **Buy** with revised TP of ₹825.

Robust performance: Q4FY21 ratings revenue jumped 19% y-o-y (31% ahead of estimate) – highest over the past three years – outperforming peers (CRISIL with domestic ratings growth of 6% y-o-y and ICRA's ratings revenue dip of 8% y-o-y). This was amidst marginally lower credit growth of 3.4% (4% in Q4FY20) as industry credit growth picked up to 5.7% (4% in Q4FY20), while services slumped to 2% (from 9%). For FY21, revenue grew 2% y-o-y, with ratings up 1% y-o-y amidst a soft credit market (at 5.6%) and debt issuances supported with TLTROs. Going forward, management expects bond markets to be stable and wholesale credit to pick up.

Transformation underway: CARE is undergoing a transformational journey with changes across the entire CSuite–new CFO, new Ratings Officer and cultural officer. Focus on overhauling the current processes is underway.

Outlook: Gains anticipated – While the first two months of FY22 have been weak for debt markets, we anticipate CARE to recoup and gain market share under the new team. We raise target multiple to 25x Q1FY23 and revise TP to ₹825 (₹655 earlier), in line with five-years' average, a 32% discount to CRISIL's target multiple.

EDELWEISS

We upgrade our FY22/23E EPS by 10/12% (₹ mn)

	Old		New		% chg	
	FY22E	FY23E	FY22E	FY23E	FY22E	FY23E
Revenue	2,549	2,841	2,702	2,989	6.0	5.2
Ebitda	915	1,001	1,046	1,168	14.3	16.7
PAT	861	928	948	1,041	10.1	12.2

Source: Edelweiss Research

Personal Finance

HOME INSURANCE

All about Bharat Griha Rakshak policy

The standard policy offers two optional covers—cover for valuable contents and personal accident cover for the policyholder and spouse

SAIKAT NEOGI

FREQUENT CYCLONES AND floods in different parts of the country, leaving behind damaged buildings, have underlined the importance of a home insurance policy. After the insurance regulator's guidelines, general insurance companies have launched the standard home insurance—Bharat Griha Rakshak policy.

The standard policy covers natural catastrophes, fire, any kind of impact damage, strike, riots, etc. Along with the home structure, it covers home contents such as furniture and white goods. The owner or a tenant of a building used for residential purposes can buy it. The policy duration is one to 10 years and the age of the building must be less than 40 years. The maximum amount paid under the policy is the sum insured based on the prevailing cost of construction of the building at the policy commencement date and the premium is calculated based on the sum insured.

ILLUSTRATION: SHYAM KUMAR PRASAD

Policy coverage

The Bharat Griha Rakshak policy has in-built cover for home contents which is 20% of the sum insured of the home building, subject to the ceiling of ₹10 lakh. In case of only home contents cover, the sum insured for general contents will have to be declared and must cover the cost of replacement of the contents. The policy covers all fittings and fixtures, additional structures like garages, domestic outhouses for residence, compound walls, fences, gates, retaining walls and internal roads, parking space, water tanks for residents and parking space.

The policy also offers two optional covers—cover for valuable contents like jewellery, silverware, artifacts; and personal accident cover for the policyholder and spouse where insured peril causes damages to home building and/or home contents and also results in the death of either or both of them. The compensation amount will be ₹5 lakh per person.

In-built covers

The standard policy offers in-built covers such as loss of rent and rent for alternative accommodation if the home building is not fit for living because of physical loss arising out of an insured event. It also covers for removal of debris (up to 2% of the claim amount) and payment of architect's, surveyor's and consulting engineer's fees (up to 5% of the claim amount). Experts say such a policy can help in increasing the penetration of home insurance which is very low in the country.

For a long-term policy, the sum insured for the home will increase 10% every year for a maximum of 100% of the sum insured at the policy commencement date without any additional premium. One of the biggest benefits of Bharat Griha Raksha is that underinsurance does not apply to the policy. It means that if the sum insured calculated on the basis of the information provided by the owner is less than the actual value at risk, the difference will not affect the amount that the insurance company will pay to the owner in case of any claim. The premium for the home building cover and the home contents cover will depend on the amount of sum insured and factors that define the risk profile of the building.

How to file a claim

In case the insured has to file a claim, he should first inform the insurance company by giving details of the policy number. The claim form must be submitted within 30 days from the date of the loss or damage. He should give a brief statement of the loss, details of report to the police or any authority, particulars of any other insurance of home building or home contents. Then he should submit photographs of loss or physical damage and assist representatives from the insurance company in collecting evidence and details.

Check solvency position using debt-to-equity ratio

It is best to consider debt to be the sum of both long-term and short-term lease obligations & borrowings

YOUR MONEY

N SIVASANKARAN

INVESTORS IN GENERAL and debt investors in particular have a need to assess the solvency position of their investment candidates. In this context, understanding of debt-to-equity (DE) ratio computation and its inferences helps the investors.

Hypothetical illustration

Let us assume the following figures (in ₹crore) for Hrishikesh Anand Ltd (HA) for its latest financial year: Total of liabilities and shareholders' funds 30,000; current liabilities 8,000; short-term borrowings 2,000; short-term lease obligations 1,000; long-term borrowings 5,000; long-term lease obligation 2,000; non-current liabilities 10,000; shareholders funds 12,000; cash & cash equivalent 2,000.

Debt-to-equity ratio

It is computed by dividing the debt of a firm by its shareholders' funds. Lower the DE ratio, better is the solvency position of an entity. One can narrowly define debt by considering only the long-term borrowings. For HA, long-term borrowings to equity is 0.42 times. If its previous year long-term borrowings to equity was 0.54 times, then the firm has improved its solvency position in the current year.

Alternatively, one may consider debt to be the sum of long-term borrowings and long-term lease obligations. For HA, modified debt to equity is 0.58 times (sum of long- term borrowings of ₹5,000 crore and long term lease obligations of ₹2,000 crore divided by shareholders' funds of ₹12,000 crore). If its previous year figure was 0.56 times, then the firm has fallen in its solvency position in the current year.

Non-current liabilities

We may define debt to be total non-current liabilities. For HA, modified debt to equity is 0.83 times (non-current liabilities of ₹10,000 crore divided by shareholders' funds of ₹12,000 crore). If its previous year figure was 0.96 times, then the firm has improved its solvency position in the current year. The broader definition of debt may include (in addition to the above) either short term borrowings or sum of short-term borrowings and short- term lease obligations or entire current liabilities. Since, the investor is interested in the safety margin irrespective of the time horizon, it is prudent to consider debt to be the sum of long-term borrowings, long-term lease obligations, short-term borrowings and short-term lease obligations. Therefore, the modified DE for HA is 0.83 times (sum of LTB of ₹5,000 crore, STB of ₹2,000 crore, LT lease obligations of ₹2,000 crore and ST lease obligations of ₹1,000 crore divided by shareholders' funds of ₹12,000 crore). If its previous year figure was 0.92, then the firm has improved its solvency positions in the current year.

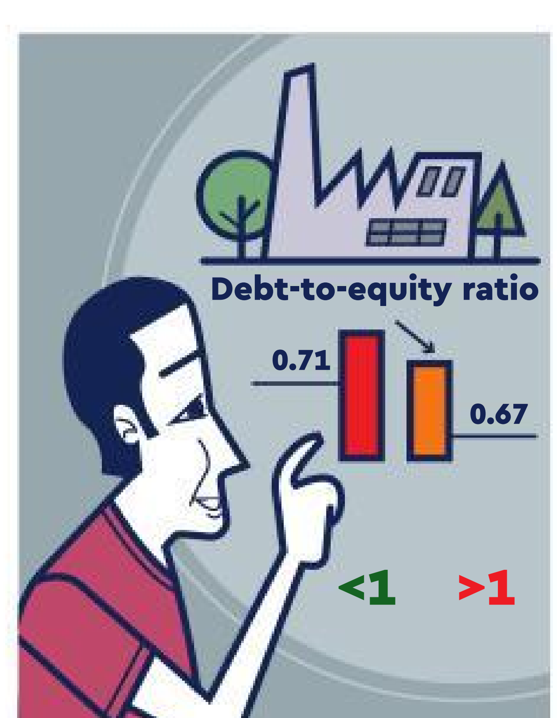


ILLUSTRATION: SHYAM KUMAR PRASAD

Some may define debt to be the excess of the sum of LTB, STB, long-term lease obligations and short-term lease obligations over cash and cash equivalent. It is known as net debt. Net DE is computed by dividing net debt by equity. For HA it is 0.67 times. If its previous year figure was 0.71, then the firm has improved in its solvency position in the current year.

We may go by the last two variants as these are broader, conservative, and intuitive in measuring the solvency position. Alternatively, we may consider the market value of equity in the denominator to compute market DE ratio.

The writer is associate professor of Finance at XLRI - Xavier School of Management, Jamshedpur

BrandWagon

MONDAY, JUNE 21, 2021

NUMEROLOGY

73% citizens believe technology will change public services for the better
71% think the pandemic will lead to greater use of technology in their lives
63% feel comfortable sharing their personal data online with the govt to access services

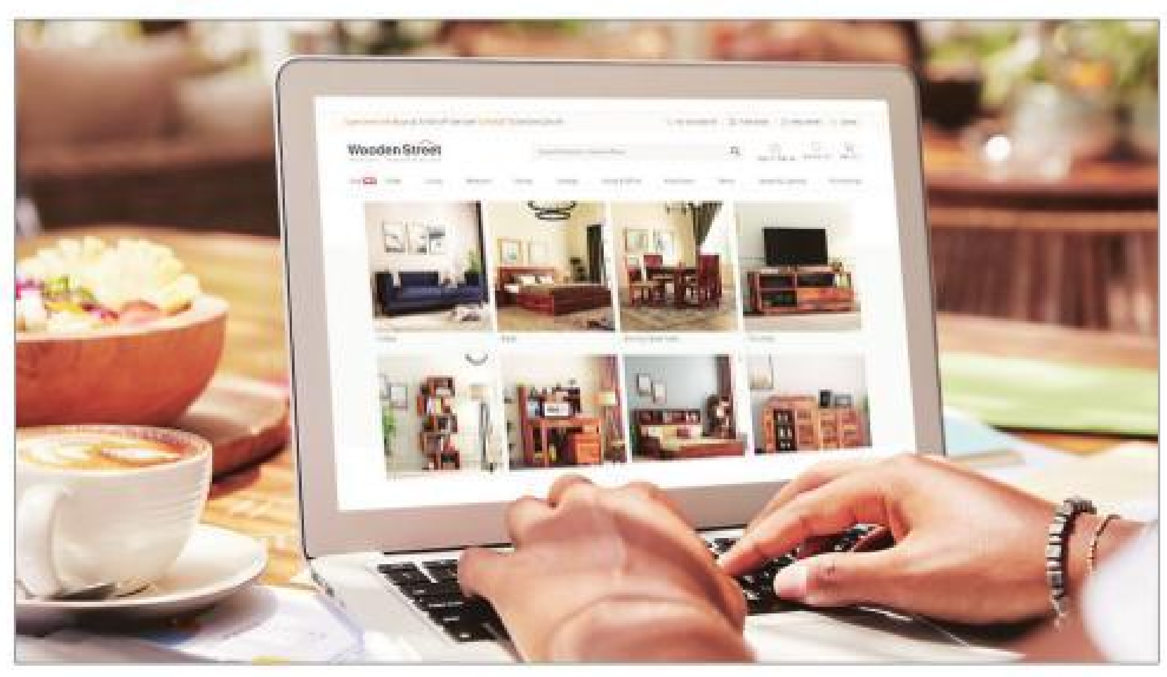
— EY's *Connected Citizen Survey*

HOME FURNISHINGS

Online furniture retail soars

The pandemic and horizontal marketplaces cementing their presence have given the online furniture market a boost

SHEENA SACHDEVA



ONLINE FURNITURE PLATFORMS have been on an upward curve, and have managed to shield themselves from the adverse impact of the pandemic. In CY20, the online furniture market grew to $400 million, from $275 million in CY19, according to a report by RedSeer Management Consulting. Although furniture has traditionally been an unorganised category, the entry of horizontal players such as Flipkart and Amazon four years ago, has given a boost to the industry.

Further, the online furniture market is expected to clock in 40% growth in the next five years, according to Wazir Advisors. After the lockdown last year, owing to pent-up demand, the online furniture market saw an uptick in sales of both general and work from home (WFH) furniture. This year, too, a similar trend is expected. Brands are now enhancing their online presence to create a real-time shopping experience.

Making WFH work

Lokendra Ranawat, co-founder and CEO of WoodenStreet, says his company is witnessing 80% sales of the pre-Covid period. To improve the customer experience, the company has launched virtual reality solutions to give customers a feel of the store while shopping from home. It has introduced a range of hydraulic designs, wall-mounted study tables and sofa-cum-expandable-beds. In line with its omnichannel strategy, WoodenStreet plans to also launch 20 new experience studios across the country in the next six months, Ranawat adds.

Pepperfry, a big player in the online furniture market, has seen business revive 50% of pre-Covid level. "However, currently, we are seeing a 20-25% spike in our business through video consultations and virtual walkthroughs," says Kashyap Vadapalli, CMO of Pepperfry. The company plans to expand its physical stores to 150 locations by the end of the year.

"Consumers are preferring comfort over cost, and opting for furniture which is ergonomically aligned to provide maximum cushion for long working hours," says Nishant Gupta, senior director, BGMH and furniture, Flipkart. "We have seen a significant rise in demand for WFH furniture such as study tables, chairs and laptop tables since last year, and the demand is visible across metros and non-metros." Cities such as Bengaluru, Hyderabad and Gurugram, where a significant number of the working population resides, are among the top regions witnessing an increase in demand for WFH essentials.

With a focus on user experience, Godrej Interio has launched a visual search option on its platform. "Initiatives such as video calls have helped us transition 60% of our customers online," says Subodh Mehta, senior vice president (B2C), Godrej Interio. In FY22, the company expects a 40-45% increase in revenue from online channels, compared to FY21. "Currently, we are delivering in 50 cities through our online platform. This year, we plan to double our reach through unified commerce and omnichannel strategy," he adds.

Sofa, so good

The pandemic has given an impetus to online furniture companies. Earlier, the market was largely dominated by vertical platforms, but has now shifted in favour of horizontal platforms, observes Chachan from RedSeer. For a long time, vertical players were focussed on premium offerings such as furniture made from teak wood and sandalwood, priced at the higher end. Horizontal players, however, have been offering a wide range of products at affordable prices, including high-quality engineered wood and teak wood furniture.

Analysts say that the entry of horizontal players has led to democratisation in the category, with multiple sizes focussing on affordability, something vertical players may have found difficult to do. Currently, horizontal players like Flipkart and Amazon have 60% of the market share, vertical players Pepperfry, WoodenStreet, among others, hold 20-30% share, while direct-to-consumer brands like Ikea and Godrej Interio command 10% share of the online furniture market.

Increasing online adoption is slated to further boost this market. "However, with local furniture stores moving online, independent of Amazon or Flipkart, we will see larger but fewer showrooms of furniture, offering delivery across the country," says Harminder Sahni, founder and MD, Wazir Advisors.

New users coming on board, a dedicated focus on supply chain management, expansion in tier II markets and consumer spending in more categories will be crucial for the growth of this industry. To that end, Amazon and Flipkart have already set up supply chains with a focus on tier II markets.

ONLINE RETAIL

The business of greens

Online nurseries and florists see high demand

VENKATA SUSMITA BISWAS

THE ONLINE GIFTING market comprising plants, flowers, and novelty items — which was worth about ₹2,000 crore in FY20 — has been abuzz during the pandemic. Online nurseries and florists such as Root Bridges, myBageecha and Bloombombs have seen an upsurge in sales. However, despite seeing their businesses blossom during the past year, the founders of these websites are aware that it will be an uphill task to scale up.

Spring in their step

Root Bridges, an online nursery, which was mainly selling through marketplaces like Amazon and Flipkart, has registered a fourfold growth in e-commerce sales during the past one year. The company's CEO, Udit Khanna, says the offline nursery is not seeing as much footfall as earlier, and 90% of the revenue now comes from the online channel.

Saumitra Kabra, co-founder of myBageecha, says his website has added many first-time buyers looking to "greenify" their homes. He shut down the offline part of the business about a year and a half ago.

Ferns N Petals, a marketplace for gifts and flowers, earned ₹500 crore in revenue in FY21, up 30% from FY20. Pawan Gadia, CEO, retail and online, India, UAE & Singapore, Ferns N Petals, says the company is targeting a revenue of ₹700-750 crore in FY22. Gadia says the demand in offline retail remained subdued across categories like flowers and indoor plants, whereas online sales jumped 30% in FY21 over FY20.

With the demand for corporate gifting, events, weddings, etc, non-existent, florists are tapping into the consumer segment to build a 'flower culture'. Bloombombs, for example, has introduced a subscription package to get customers to sign up for large orders. "Since the pandemic, people are buying flowers for themselves as opposed to gifting them to others," says Christine Langstieh, founder, Bloombombs. A flower subscription box costs about ₹2,000 for a weekly delivery, every month. Ferns N Petals, too, has a flower subscription plan starting at ₹649.

With the demand for corporate gifting, events, weddings, etc, non-existent, florists are tapping into the consumer segment to build a 'flower culture'

The past 14 months also saw people experiment with growing their own vegetables in their kitchen gardens. This prompted Bayer, a multinational pharmaceuticals and life sciences company, to introduce vegetable seeds to consumers directly. For now, purchasing botanical products remains a metro and tier I phenomenon, and the same is true for kitchen gardening. "In the urban segment, the key markets with the highest demand are Bengaluru, Hyderabad, Pune and New Delhi," says KE Muthu, head, Bayer Vegetable Seeds, South Asia.

Seeds of growth

The perishable nature of live plants and cut flowers makes it a logistical challenge for companies. "Shipping plants is expensive, and if the plant gets damaged in the process, we need to replace it," Kabra points out. Further, consumers are hesitant to purchase delicate items like plants and flowers online, making scaling up difficult for these websites. Langstieh says educating the consumer is the first step towards developing this niche market.

Ferns N Petals has diversified into a range of products, from cakes to watches, to cater to the broader gifting market. Online nurseries and florists may need to adopt this strategy. Harish Bijoor, founder, Harish Bijoor Consults, says, "Being niche is not nifty. These websites will have to expand their offerings to reach a large number of customers while keeping their core offering as the star attraction."

myBageecha has already partnered with brands that have plant and flower inspired products. Products like table lamps, notepads, pen stands and bookmarks make up 30% of its online store. Bloombombs, too, sells lifestyle products like scented candles, dry flowers and planters.

To address the challenge of delivering fresh flowers and plants, Bijoor suggests tie-ups with marketplaces that deliver milk and groceries.

In The News

Ajay Simha named marketing director at Nivea India

NIVEA INDIA HAS appointed Ajay Simha as its marketing director. He was previously heading the body care and cleansing, and baby care portfolio across the Middle East and North Africa. Simha has over a decade of experience leading categories such as personal care, male grooming, face, lip and sun care.

Havas Media Group rejigs senior leadership

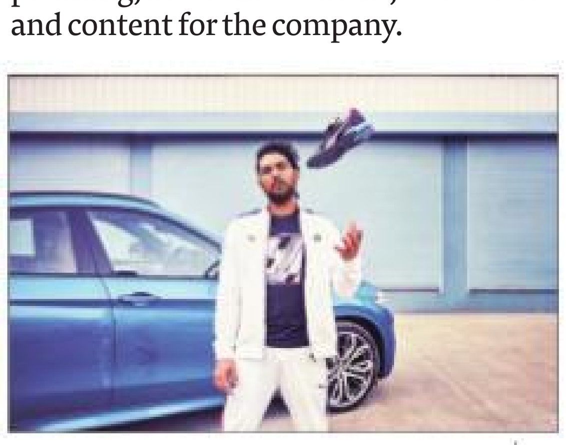
HAVAS'S NORTH OPERATIONS have been consolidated under two unit heads — Roopali Sharma and Harbir Singh. They have been promoted as managing partners – Delhi. Chandradeep Kumar has been promoted to senior VP (Delhi). Manish Sharma, previously VP – Delhi, is now EVP & head – Mumbai. Further, Rohan Chincholi has been made the head of digital.

Dentsu launches sports marketing unit in India

DENTSU INTERNATIONAL HAS launched its sports marketing unit in India, supported by Dentsu Sports International (DSI), headquartered in Tokyo, and Dentsu Sports Asia (DSAsia), Singapore. Former cricketer Anand Yalvigi has been roped in as director of this new vertical. He has previously worked with companies such as Ignite Sports and Havas Sports.

Wavemaker India bags a new business

LUMINOUS POWER TECHNOLOGIES has appointed Wavemaker India as the integrated media partner for all its brands in the inverters, batteries, solar, and home electricals categories. The agency will handle media strategy & planning, media investment, activation and content for the company.



Yuvraj Singh becomes the face of Puma Motorsport in India

Senco Gold & Diamonds brings Dutee Chand on board as its brand ambassador

Motobahn

HYBRID CARS

The bridge to a fully-electric car world

Building a nationwide EV charging infrastructure will take time. Until then hybrid cars can be the desired form of mobility

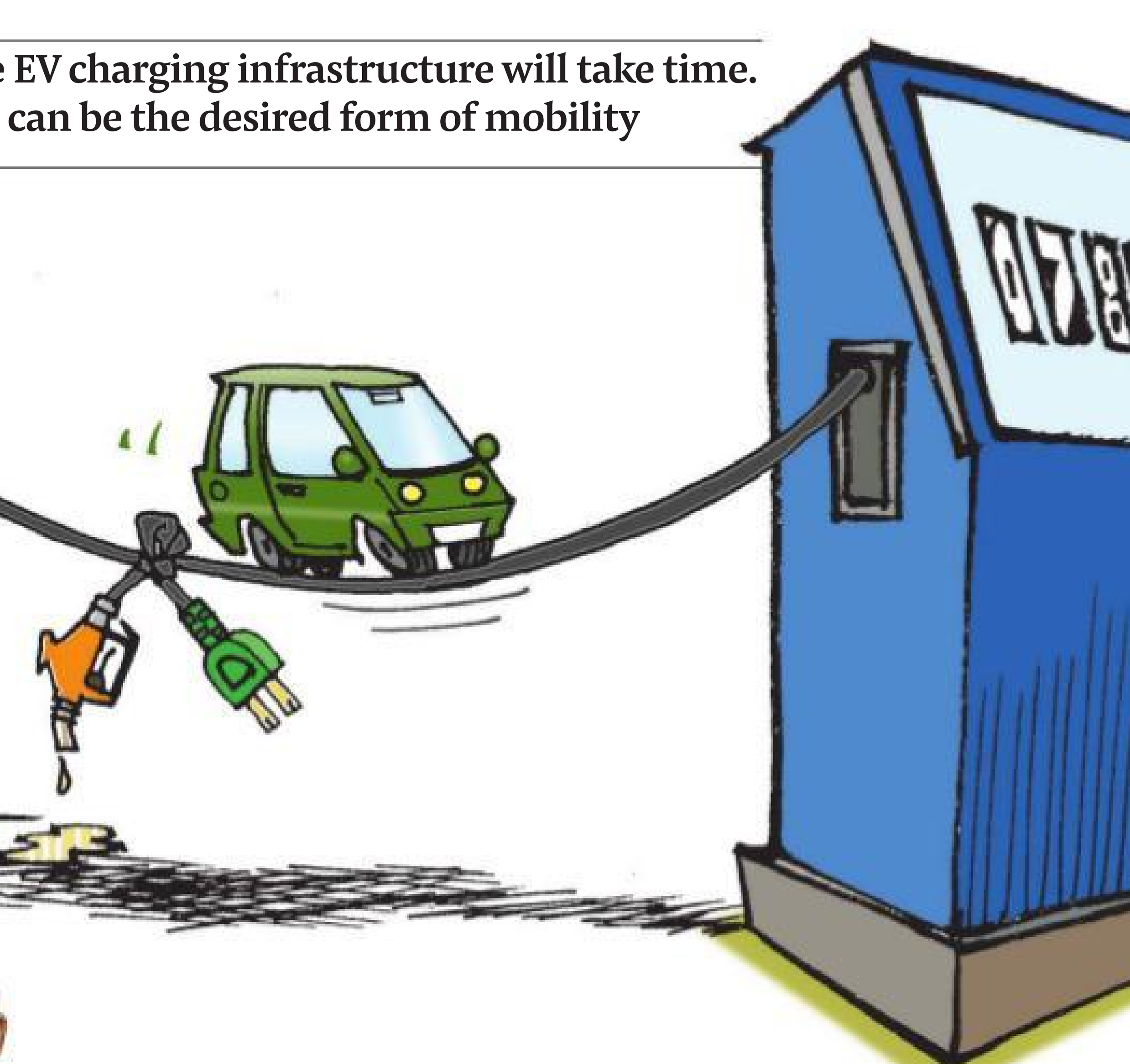


ILLUSTRATION: ROHNIT PHORE

Rajeev Singh & Atul Jairaj

AS WE MOVE towards a potentially 'greener' future through electrification of mobility, various segments of electric vehicles (EV) have emerged, with each playing a significant role in the journey. One such popular and much-debated segment is a 'hybrid vehicle'.

A hybrid vehicle is one that typically uses two distinct types of power. Specific to cars, it most often refers to a hybrid electric vehicle (HEV), which uses a combination of internal combustion engine (ICE) and electric motors to power the vehicle. There are three major types of hybrid drivetrains, each offering varying advantages and disadvantages:

- **Full HEV (FHEV):** These can run just on the ICE, or the electric motor, or a combination of both. In the FHEV, the battery is recharged by running the ICE.
- **Mild hybrids:** In these vehicles, the ICE and the electric motor work together.
- **Plug-in HEV (PHEV):** Like FHEVs, the ICE or the electric motor can run independently.

In many ways, hybrids are considered a 'bridge' between ICE vehicles and battery electric vehicles (BEVs).

Rough road in transition to EVs

An electric powertrain provides significant benefits to the owner (lower operating and maintenance costs) as well as to the society/environment (lower degree of emissions and energy security). There is a strong global push towards increased adoption of EVs. According to the IEA's *Global EV Outlook 2021*, global electric car registrations increased by 41% in 2020, despite the pandemic-related worldwide downturn in car sales in which global car sales dropped 16%.

While EV sales continue to grow, the rate of adoption of BEVs has not been as rapid as originally envisaged by policymakers and experts. The major bottlenecks to BEV demand have been:

- **Range anxiety:** Primarily owing to longer charging cycles and lack of frequently available charging stations;
- **High upfront price:** Primarily due to high battery cost.

Despite significant advancements in battery technology as well as in policy push towards charging infrastructure, these bottlenecks still directly impact the customer and hence BEVs have been lagging behind in adoption.

Deloitte's *Global Automotive Customer Survey (GACS)* in 2021 indicated that for many customers across geographies, lack of charging infrastructure has emerged as the primary case of concern with regard to BEVs.

Where do HEVs fit?

Since HEVs use two power sources, they easily address range anxiety issues caused due to lack of charging infrastructure. Shorter commutes can be prioritised using the electric option, while longer journeys can be enabled using the ICE. In most circumstances, HEVs also offer better fuel economy over conventional ICE vehicles when the electric option is consistently used.

While markets get ready to enable all-electric vehicles (BEVs), we have been seeing a growing interest for HEVs over the years. Our *GACS* in 2021 indicated that while the preference for the ICE still remained robust, the interest levels for HEVs and BEVs are growing year-on-year.

The road ahead

When looked at purely from a customer acceptance point of view, a direct transition from the ICE to BEVs looks challenging. Till the time BEV prices reduce further through battery technology advancements and we are able to create the right network of charging infrastructure, there will remain a latent anxiety to overcome, which will act as a deterrent to adoption of BEVs. Also, building EV charging infrastructure will take time and showing return-on-investment on smaller EV volumes will be challenging.

According to the IEA's *Global EV Outlook 2021*, in mature markets like the US, PHEVs accounted for 22% of all EV sales in 2020; this is expected to rise to 31% in 2025 and is expected to plateau at 30% by 2030 with increasing acceptance of BEVs, possibly indicating the 'bridge' role that HEVs are expected to play in this decade.

Hence, HEVs could be an interim option where customers get the best of both worlds (ICE and EV), get more accustomed to the EV ecosystem and build enough confidence to dive into an all-electric BEVs eventually.

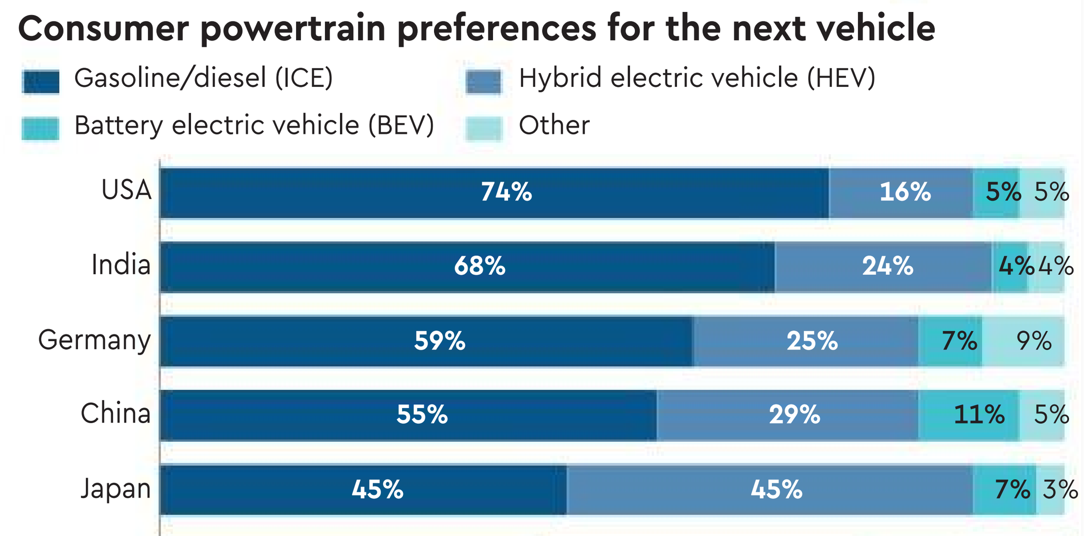
Singh is partner & automotive leader, and Jairaj is director, Deloitte India

Greatest concerns regarding all-battery-powered vehicles

Concern	USA	Germany	Japan	S Korea	China	India
Driving range	**28%**	**28%**	22%	11%	25%	13%
Lack of charging infrastructure	25%	22%	**29%**	**32%**	20%	**26%**
Cost/price premium	20%	16%	23%	17%	9%	16%
Time required to charge	13%	13%	15%	18%	13%	14%
Safety concerns	8%	12%	10%	19%	**29%**	25%
Lack of choice	4%	5%	1%	3%	4%	6%
Other	2%	4%	0%	0%	0%	0%

Top concern

Consumer powertrain preferences for the next vehicle



Source: 2021 Global Automotive Consumer Study, Deloitte

Infrastructure

MONDAY, JUNE 21, 2021

EXPERT VIEW

India's coal production reported a marginal fall in the second half of FY21. Production by CIL and SCCL fell by just 0.5% in H2FY21, after declining by 6.5% in H1FY21. This helped in restricting the annual fall in coal production to just 2.9% in FY21

—CARE Ratings

POWER LOAD

Smart AC in works for post-Covid era

Given the pandemic experience and growing power demand, an EESL initiative is seeking to improve safety and efficiency in air-conditioned public spaces

ANUPAM CHATTERJEE

AS HOT AND HUMID weather conditions worsen owing to climate change and economic growth pulls more people out of poverty, air-conditioning will become a far greater need than it is today. So much so that the International Energy Agency (IEA) has predicted India's electricity consumption for cooling purposes growing six-fold to 650 billion units by 2040, which would be more than Germany's electricity consumption at present. This calls for energy efficiency measures in areas ranging from building construction and design to consumer durables and appliances. When seen against the backdrop of the coronavirus pandemic, it also demands air circulation of a quality that keeps the indoor environment healthy even as it lowers power consumption.

It is with these concerns in mind that the Energy Efficiency Services Ltd (EESL) has partnered the US Agency for International Development under the 'MAITREE' programme. Its 'Retrofit of Air-conditioning to improve Indoor air quality for Safety and Efficiency (RAISE)' initiative aims to modify air-conditioning and ventilation systems by offering one solution for filtration, disinfection and ventilation needs.

"Certainly the demand for air circulation and filtering systems will grow in the post-pandemic world, in which indoor air quality will be an important concern," says Somesh Kumar, partner and national leader – power and utilities, EY, adding "building design will need to balance both natural and mechanical ventilation requirements to reduce the impact on overall power demand."

While the issue was being raised even before the pandemic given the rising pollution levels, the spread of the coronavirus has lent it urgency, as the cooling systems of public buildings like offices, shopping malls and hospitals are unable to contain the circulation of viruses in spaces without natural ventilation. Rajat Sud, managing director, EESL, tells *FE*, "There has been a dearth of comprehensive solutions to deal with the issue. Air filters, while necessary, are ill-equipped to curb the spread of pathogens that are miniscule in size". The RAISE programme uses the novel 'Air Sampler' technology developed by the Council of Scientific and Industrial Research (CSIR) that enables the sampling of pathogens, including the Covid-19 virus, every 30 minutes to monitor air quality. A UV disinfection tray, also developed by CSIR, would be installed in existing AC ducts and could also be used at places with space constraints.

Talking of the future, Nilaya Varma, CEO of consulting firm Primus Partners says, "though there has been a significant rise in demand from households for air filtration equipment, most industries are yet to install such equipment for hygiene and environmental purposes. This could change given the COVID-19 experience".

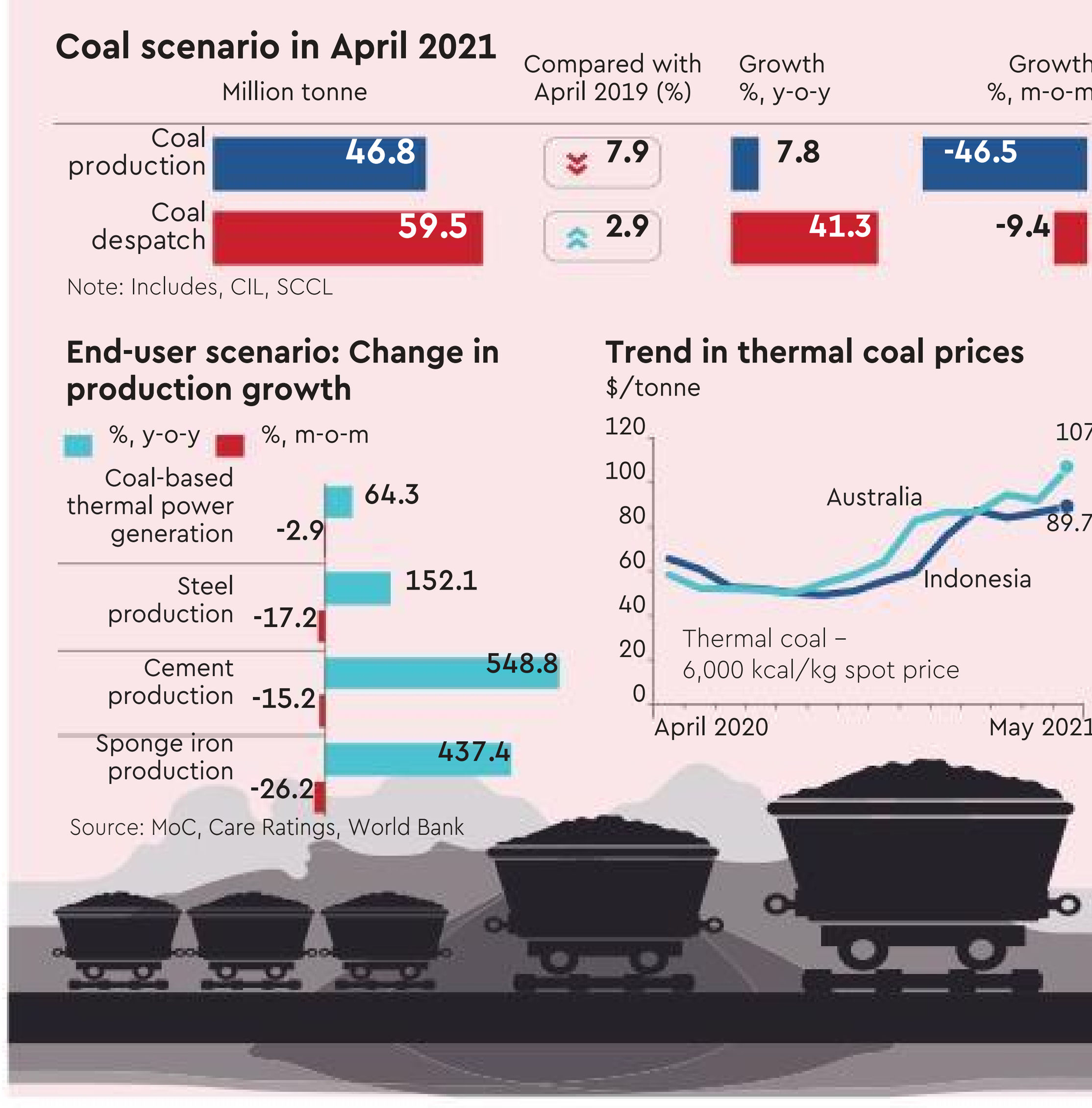
According to the India Cooling Action Plan charted by the environment ministry, the total centralised air-conditioning space for large buildings is expected to grow by seven times to 38 million tonnage of refrigeration (TR) by FY38. Even if half of the upcoming demand is met through the RAISE programme, it would translate into business worth around ₹7,600 crore for EESL. As a start, EESL is utilising the ₹350-cr credit line available with it for disinfection of air conditioning in public spaces. As pilot projects, EESL has implemented RAISE in its own building at SCOPE complex, the NTPC office building in New Delhi and a few smaller government offices. It is also in advanced discussions with the NHAI, Diesel Loco Modernisation Works (DMW) Patiala, Safdarjung Hospital and income tax buildings.

The company is targetting government entities and public sector enterprises such as railway production units, income tax buildings, hospitals, government hotels, airports and large building complexes as potential subscribers of the RAISE initiative. As for the private sector, it has initiated talks with hotel chains, property management agencies, hospitals and small traders.

DATA MONITOR

Coal output in April suffered Covid-19 blow

The resurgence of the Covid-19 pandemic hit demand and production of coal in the month of April 2021, though production grew by 7.8% y-o-y, mainly due to a low-base effect. When compared with April 2019, coal production fell by 7.9% in April 2021. On a m-o-m basis, production tanked 46.5%. This was because coal production generally peaks in March every year as miners ramp up output to meet their year-end targets.



Quick View

Discoms' outstanding dues fell 11.2% y-y to ₹81,628 crore in April

THE TOTAL OUTSTANDING dues of electricity distribution utilities or discoms to power producers (gencos) fell 11.2% y-o-y to ₹81,628 crore in April 2021. The discoms owed a total of ₹91,915 crore to gencos in April 2020, according to portal PRAAPTI. The outstanding dues of discoms to electricity producers had been increasing year-on-year as well as month-on-month for years, reflecting perennial stress in the power sector, till February this year. It started tapering off from March 2021. However, the total dues in April increased sequentially from ₹78,841 crore in March this year. In April 2021, the total overdue amount, which was not cleared even after 45 days of grace period offered by generators, stood at ₹68,732 crore, as against ₹76,117 crore in the same month a year ago.

Govt eyes ₹41,000 crore spend on ethanol output

INDIA HAS SET a target to raise its ethanol output by 80% through fresh investments of ₹41,000 crore, as it seeks to achieve the 20% ethanol blending target for gasoline sold in the country by 2025. The plan would help curb India's ever-rising oil import bill, save ₹30,000 cr worth of foreign exchange annually and enable sugar mills to pay cane farmers on time, a senior official said on Tuesday. Already, as many as 422 investment proposals have been approved, Food Secretary Sudhanshu Pandey said. The MRN Group of Karnataka, Balrampur Chini Mills, and Chandigarh Distillers are among the firms that have got approval to set up ethanol plants in the next one year, a source said.

NHAI to mop up ₹15,000 cr via monetisation this fiscal

THE NATIONAL HIGHWAYS Authority of India (NHAI) is seeking to raise around ₹15,000 crore through the toll-operate-transfer (TOT) and Infrastructure Investment Trust (InvIT) routes in the current fiscal. Sources said the authority's maiden InvIT, through which NHAI plans to raise around ₹5,100 cr, is expected to be launched in a month or so. The NHAI may raise another ₹5,000 crore by transferring more assets to the InvIT later in the year. It also plans to raise at least ₹5,000 crore through monetisation of toll roads (ToT).

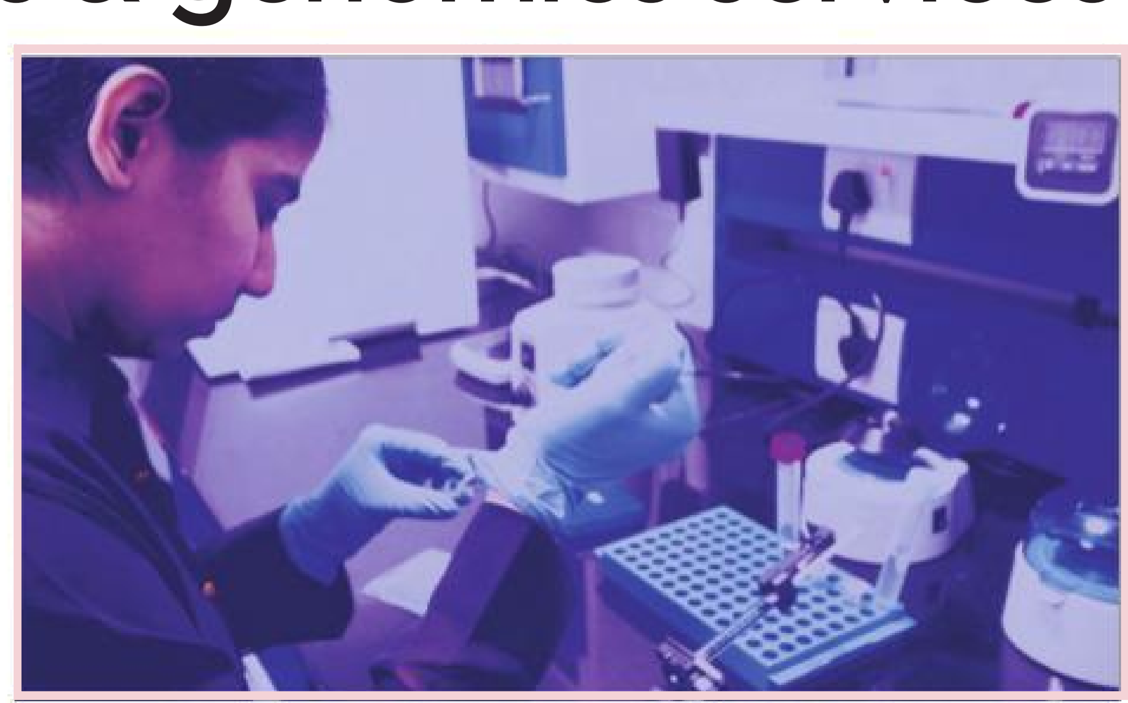
Startups

CLEVERGENE

Improving healthcare with DNA diagnostics & genomics services

This DeepTech startup is supporting research programmes on chronic diseases undertaken by leading institutions

SUDHIR CHOWDHARY



THE INDIAN STARTUP ECOSYSTEM is on a high growth path, but look closely and you'll find barely a handful of ventures dedicated towards cutting-edge research, especially in the realm of healthcare. Bengaluru-based Clevergene stands out amongst the crowd with its promising research-oriented work. It is a DeepTech company offering genomics services for contract research and genetic diagnostics.

"We eat-sleep-talk-repeat genes. Seriously," says the company's co-founder & CEO, Tony Jose. "Work basically revolves around the deoxyribonucleic acid (DNA) that harbours the genetic code of life. Even the slightest of changes in the DNA sequence (mutation) can adversely affect or sometime even benefit an organism." A genomics scientist turned entrepreneur with more than a decade of experience in high throughput genomics, Jose says, "We are dedicated to helping humanity in decrypting the most complex genetic codes to enable early detection of genetic disorders, facilitate personalised therapy and development of higher yielding crops or farm animals."

> At Clevergene, we are dedicated to helping humanity in decrypting the most complex genetic codes to enable early detection of genetic disorders."
>
> —TONY JOSE, CO-FOUNDER & CEO, CLEVERGENE

Through its high-end laboratory housing next-gen sequencers and high-performance computing infrastructure, Clevergene claims to churn out life-impacting outcomes. It analyses the genetic code of organisms like plants, bacteria, viruses, insects, humans and other animals, to hunt for patterns that offer insights to improve the quality of life on this planet.

"Clevergene supports the initiatives of the scientific community of research programmes on chronic diseases such as cancer, diabetes, etc.," says Jose. It also provides in-depth and impactful DNA diagnostics to doctors, enabling them to take critical medical decisions regarding their patients.

"We collaborate with seminal scientific groups in India and abroad on a contract research outsourcing model to identify DNA mutations associated with diseases such as cancer, diabetes, cardio vascular disorders, and several paediatric genetic disorders in a bid to develop genetic markers for early screening, diagnosis and personalised treatment," he adds.

Clevergene empowers its partners by catalysing the speedy discovery and development of these markers through its discovery genomics vertical that combines high-throughput DNA sequencing and AI-driven Big Data analytics. At the peak of the second wave of the Covid-19 pandemic, The Gene Lab (Clevergene's genetic diagnostics lab) deployed automated RNA extraction and high-throughput RT-PCR to deliver upto 3,000 tests in a single day.

Its clientele includes scientific groups from national research institutions, medical colleges, private clinical research organisations and biopharma companies, says Jose. Among its Indian clients are Indian Institute of Sciences (Bengaluru), All India Institute of Medical Sciences (Delhi), Rajiv Gandhi Centre for Biotechnology (Trivandrum), National Bureau of Animal Genetic Resources (Karnal), Post Graduate Institute of Medical Education and Research (Chandigarh), PD Hinduja Hospital (Mumbai). Clevergene also has in its kitty various international projects from government-funded research institutes and private biotech firms from the UK, Netherlands, and the US. "We also have clients from reputed global institutions such as Oxford University (UK), Vanderbilt University (USA), etc," says Jose.

The startup is poised to close a $10 million seed-funding round to be utilised for advancing the discovery genomics and The Gene Lab verticals, said Jose.

DEVTRON

A business opportunity in developers' needs

This startup aims to provide advanced tools for developers using Kubernetes, in a market that is niche and mostly served by non-Indian brands

SRINATH SRINIVASAN

ONE OF THE widely sought-after technologies for the cloud age is Kubernetes. Initially created and used by Google, it was made open source eventually. It is widely used in the SaaS model to develop software for hundreds of thousands of people to use seamlessly at the same time, served from the cloud.

While there are certain tools used by developers to manage the development process, a lot of them do not directly support Kubernetes, irrespective of whichever cloud platform the codes may be hosted on. Gurgaon-based Devtron has a unique model to make a sustainable business in this niche segment. The bootstrapped company has been making tools for developers working with Kubernetes across the globe, from India and have made it open source.

"Today a developer may use lots of dev tools, but if they are looking at Kubernetes, we can confidently say we offer the best flexibility across hybrid cloud platforms," says Rajesh Razdan, co-founder, Devtron.

Rajesh Razdan, co-founder, Devtron

Although not a business one hears about typically, the startup's journey sheds light into the world of developers and the business opportunity it presents. Developers start using Devtron as part of their workflow and after deriving value as individuals, they take it up to their bosses to get more licenses and customised features for all their teammates to collaborate with, where Devtron makes its money.

Established in 2019, the 15-member startup is asset light and has been doing a revenue of around a quarter million dollars with thousands of contributions to open source. Devtron helps developers maintain their code's health, provide analytics on the performance and improve collaboration with their teammates. "If a developer is using another tool already, they can just pick the features they do not have in those tools from us and go about it using both," says Razdan.

For businesses, Razdan highlights the value in terms of cost, speed in terms of rolling out products (a week versus months) and features and availability of numerous open source IP. "Usually 7-8 developers share a development tool. With Devtron, it could be around 45-50. It could be across the businesses' various cloud platforms and projects and other dev tools," explains Razdan.

The developers eventually become the reason behind the platform's popularity. In addition, Devtron is working with the academia at top Indian tech institutes to research and incorporate AI within their platforms. "This will further result in automation of DevOps and provide better features and business outcomes," he says.

Quick View

March spending spurt salvaged states' capex in the last fiscal

STATE GOVERNMENTS HAVE acquitted themselves well in arresting an anticipated decline in capital expenditure in FY21. According to data gathered by *FE* for 15 major states, they reported combined capex of ₹3.26 lakh crore in the last financial year, up 2% on year, compared with negative growth of 6% in FY20. The aggregate capex growth for all states in FY20 was 2% higher than FY19, as per data released by the RBI. What helped the 15 states improve their capex performance from the much lower levels seen till the third quarter of FY21 was a steep 31% jump in spending in March. An earlier study by *FE* of 16 states had pegged their combined capital expenditure at ₹2.16 lakh crore in the April-February period, down 18.5% on year.

Andhra High Court cancels 6,400-MW solar auctions

THE ANDHRA PRADESH High Court has cancelled auctions held by the state government in February for creation of 6,400-MW solar power capacity, denting the coastal state's ambition to reduce power tariffs by building low-cost renewable energy units. Ruling on a petition filed by Tata Power Renewable Energy, the court stated the whole tendering and auction process 'substantially deviated' from the provisions of the Electricity Act, 2003, and the guidelines for competitive bidding. The court allowed the state to invite fresh bids to build the capacity, after aligning the bidding conditions with the Act and the relevant terms.

Growing demand sees oil price touch multi-year high

OIL PRICES ROSE for a fifth day on Wednesday, closing in on $75 a barrel as U.S. refiners drew more crude inventories to meet recovering demand. Crude inventories fell by 7.4 million barrels in the week to June 11, the U.S. Energy Information Administration said. Brent crude gained 40 cents, or 0.5%, to hit $74.39 a barrel, its highest level since April 2019 on Wednesday, before going down the next day. Brent has risen by almost 44% this year, supported by supply cuts led by the Organisation of the Petroleum Exporting Countries and allies, and the recovery in demand.

IRAN POLL RESULTS

Tehran's ties with Gulf Arabs may hinge on nuke pact

GHAIDA GHANTOUS
Dubai, June 20

GULF ARAB STATES are unlikely to be deterred from dialogue to improve ties with Iran after a hard-line judge won the presidency, but their talks with Tehran might become tougher, analysts said.

Prospects for better relations between Muslim Shi'ite Iran and Sunni Gulf Arab monarchies could ultimately hinge on progress to revive Tehran's 2015 nuclear accord with world powers, they said, after Ebrahim Raisi won Friday's election.

The Iranian judge and cleric, who is subject to US sanctions, takes office in August, while nuclear talks in Vienna under outgoing President Hassan Rouhani, a more pragmatic cleric, are ongoing.

Saudi Arabia and Iran, long-time foes, began direct talks in April to contain tensions at the same time as global powers have been embroiled in nuclear negotiations. "Iran has now sent a clear message that they are tilting to a more radical, more conservative position," said Abdulkhaleq Abdulla, a UAE political analyst, adding that Raisi's election might make improving Gulf ties a tougher challenge. "Nevertheless, Iran is not in a position to become more radical ... because the region is becoming very difficult and very dangerous," he added.

The United Arab Emirates, whose commercial hub Dubai has been a trade gateway for Iran, and Oman, which has often played a regional mediation role, were swift to congratulate Raisi. Saudi Arabia and Bahrain are the only Gulf states yet to comment.

"The faces may change but the leader is (Supreme Leader Ayatollah Ali) Khamenei," columnist Khaled al-Suleiman wrote in Saudi newspaper Okaz.

Raisi, an implacable critic of the West and an ally of Khamenei, who holds ultimate power in Iran, has voiced support for continuing the nuclear negotiations.

"If the Vienna talks succeed and there is a better situation with America, then (with) hard-liners in power, who are close to the supreme leader, the situation may improve," said Abdulaziz Sager, chairman of Gulf Research Center.

A revived nuclear deal and the lifting of US sanctions on the Islamic Republic would boost Raisi, easing Iran's economic crisis and offering leverage in Gulf talks, said Jean-Marc Rickli, an analyst at Geneva Centre for Security Policy.

Neither Iran nor Gulf Arabs want a return to tensions of 2019 which saw attacks on tankers in Gulf waters and Saudi oil installations, then the 2020 US killing of top Iranian general Qassem Soleimani.

— REUTERS

World powers must wake up on Iran deal: Israeli PM

ISRAELI PRIME MINISTER Naftali Bennett on Sunday opened his first Cabinet meeting since swearing in his new coalition government last week with a condemnation of the new Iranian president. He said Iran's presidential election was a sign for world powers to "wake up" before returning to a nuclear agreement with Tehran. Iran's hard-line judiciary chief, Ebrahim Raisi, was elected on Saturday with 62% of the vote. Bennett said "of all the people that (Iranian Supreme Leader Ayatollah Ali) Khamenei could have chosen, he chose the hangman of Tehran, the man infamous among Iranians and across the world for leading the death committees that executed thousands of innocent Iranian citizens throughout the years". — AP

Airlines, holiday firms ramp up pressure on UK to ease curbs

REUTERS
London, June 20

BRITAIN'S AIRLINES AND holiday companies are planning a "day of action" on Wednesday to ramp up pressure on the government to ease travel restrictions, with just weeks to go before the start of the peak summer season.

Travel companies, whose finances have been stretched to breaking point during the pandemic, are desperate to avoid another summer lost to Covid-19. But with Britain's strict quarantine requirements still in place that now looks likely.

As the clock ticks down to July, Europe's biggest airline Ryanair and Manchester Airports Group on Thursday launched legal action to try to get the government to ease the rules before the industry's most profitable season starts.

On Wednesday, June 23, pilots, cabin crew and travel agents will gather in Westminster, central London, and at airports across Britain to try to drum up support.

Britain's aviation industry has been harder hit by the pandemic than its European peers, according to data published by pilots trade union BALPA on Sunday. That showed daily arrivals and departures into the United Kingdom were down 73% on an average day earlier this month compared to before the pandemic, the biggest drop in Europe. Spain, Greece and France were down less than 60%. UK airports were also badly affected, with traffic in and out of London's second busiest airport Gatwick down 92%, according to the data.

The government has had to balance the risks of foreign holidays bringing new variants of the virus into Britain, justice minister Robert Buckland told the BBC. Public Health England official Susan Hopkins said people should predominantly holiday at home this summer while the population is vaccinated.

But time is running out for the industry, said the union. "There is no time to hide behind task forces and reviews," said BALPA general secretary Brian Strutton. "BALPA is demanding that the UK government gets its act together and opens the US routes and European holiday travel destinations that it has blocked with no published evidence at all."

Over 45,000 jobs have already been lost in UK aviation, with estimates suggesting that 860,000 aviation, travel and tourism jobs are being sustained only by government furlough schemes.