

ASHOK GULATI

**India needs to have a war room for Covid response**

## EDITORIAL

**US does well to support IPR waiver for Covid vaccines, other rich nations must come on board too**

NEW DELHI, MONDAY, MAY 10, 2021

## STATE OF THE MATTER

**Himanta Biswa Sarma to be next Assam CM; swearing-in likely today**

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## EXIT REFERENDUM

**Johnson calls summit as Scotland renews call for independence**



# FINANCIAL EXPRESS

READ TO LEAD

## IN THE NEWS

**Emirates to fly medical aid to India for free**

EMIRATES SAID ON Sunday it will not charge NGOs anything for transporting their Covid relief material on its flights from Dubai to India, reports PTI. "Emirates will offer cargo capacity free of charge on an 'as available' basis on all of its flights to nine cities in India, to help international NGOs rapidly deliver relief supplies, where it is needed," the airline said.

**Exports rise 80% to \$7 billion during May 1-7**

CONTINUING A POSITIVE growth, India's exports grew by 80% to \$7.04 billion during the first week of this month, according to preliminary data of the commerce ministry, reports PTI. Exports during May 1-7 last year stood at \$3.91 billion and \$6.48 billion in the same week of May 2019.

**NASA criticises China for handling of space debris**

THE REMNANTS OF China's biggest rocket crashed into the Indian Ocean near the Maldives on Sunday with no reports of damage, but Beijing was criticised by NASA for its failure to "meet responsible standards" regarding its space debris, reports PTI.

## PANDEMIC BLUES

## Second wave could jolt the economy much harder

**Sectors like retail, hospitality, tourism, aviation to get even more badly bruised**

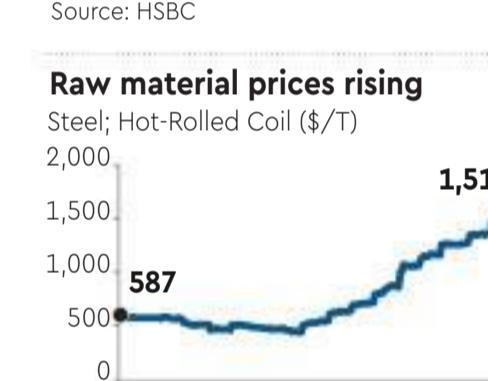
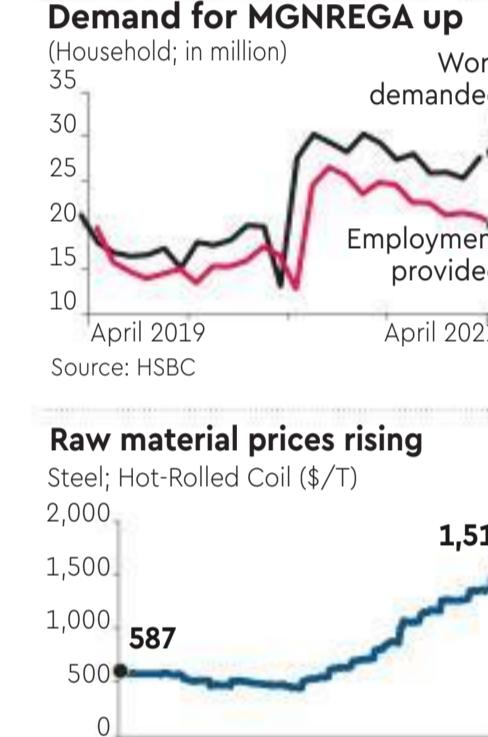
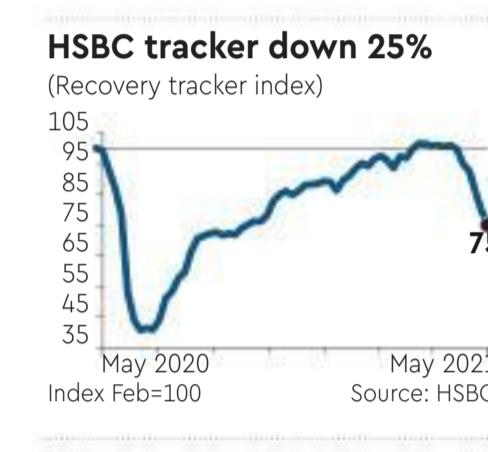
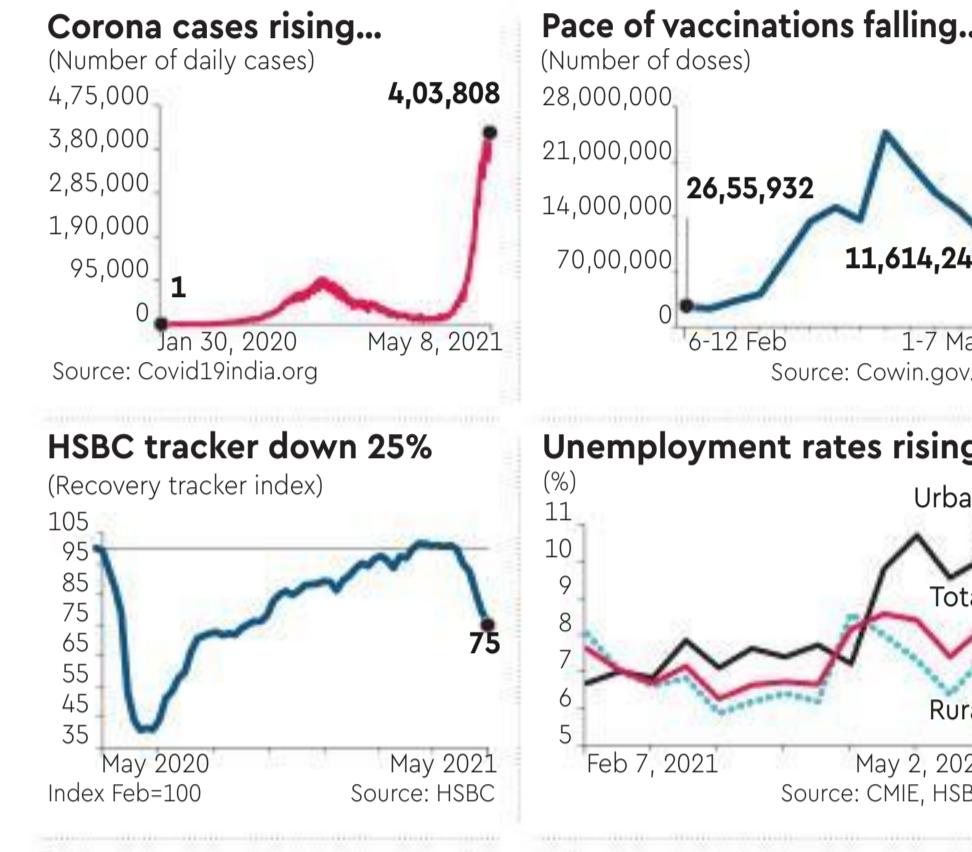
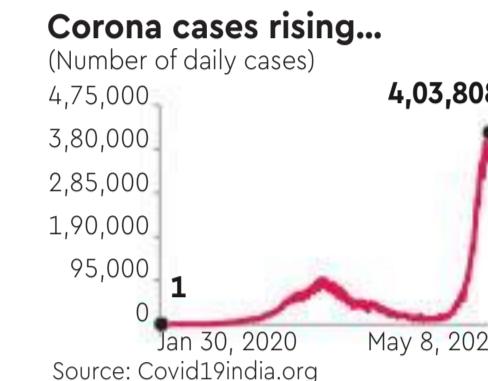
FE BUREAU  
New Delhi, May 9

bounce back around September as the festive season begins. Savings — at least in the form of bank deposits — are growing, indicating either the inability to spend or extreme caution.

While the balance sheets of companies in the organised sector would be affected very slightly, lakhs of small enterprises, in the informal sector, will once again be in deep distress and many even go extinct. The dichotomy seen in the recovery following the first wave will get exacerbated; additionally, many more low-income households are likely to get hit.

Joblessness is already running high; the CIME data showed unemployment has hit 8% and ten million salaried persons have lost their jobs. Moreover, researchers at the Azim Premji University have found that while a big chunk of workers did find work again, after having lost them in the first wave, the remuneration was much lower. The monthly per capita income for an average household of four members in October 2020 was a fifth lower than what it was in January 2020, at ₹4,979. Joblessness and reduced income have meant labour's share of GDP dropped from 32.5% in Q2FY20 to 27% in Q2FY21.

Continued on Page 2



## Q4 EARNINGS

**IT firms take lead as India Inc turns in good numbers**

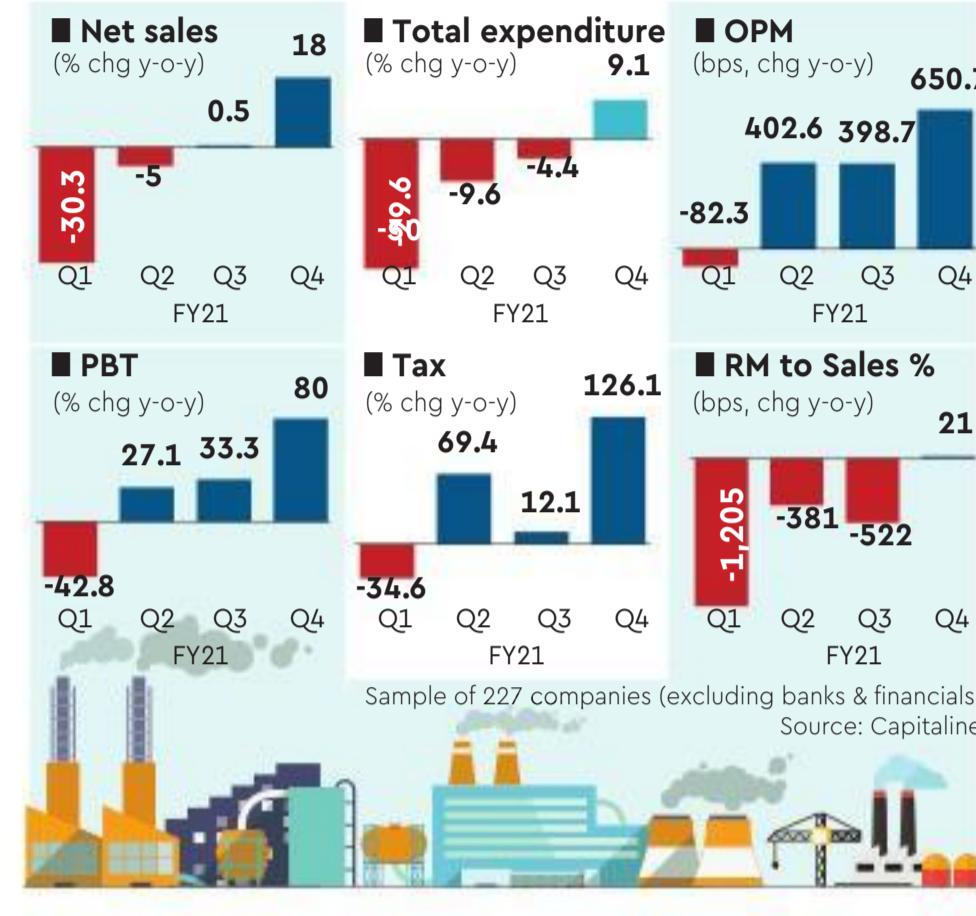
FE BUREAU  
New Delhi, May 9

CORPORATE INDIA'S PROFITS have surged in the three months to March driven up by strong top line growth and some hefty cost-cutting. Producers of commodities, especially metals like steel, have seen their sales boosted by rising prices and good demand; net sales at Tata Steel jumped 39% year-on-year, nudging ₹50,000 crore. A big jump in exports and an increase in local realisations of two-wheeler companies have helped increased their sales.

At Bajaj Auto, motorcycle volumes in the export market increased by 24% y-o-y and the mix too improved. Demand in the home market, too, was reasonably strong.

Revenues at Maruti Suzuki increased by 32% y-o-yed by a big jump in volumes and a 4.5% y-o-y increase in ASPs (average selling prices). Discounts on vehicles have come down significantly to ₹16,600 per vehicle in Q4FY21 versus ₹19,051 a year ago as demand has picked up. Standalone revenues at Ultratech Cement increased a smart 35% y-o-y with sales volume up 30% y-o-y and capacity utilisation hitting 93% y-o-y.

The stars of the fourth quarter earnings season have been the IT services firms which have turned in stellar numbers. For a sample of 227 companies (excluding banks and financials) net sales were up a strong 18% y-o-y. FMCG firms fared well with supply chains largely restored post the lockdown and rural demand holding up; at Hindustan Unilever, underlying volumes



jumped 16% y-o-y. Rural demand remains reasonably strong; at Maruti Suzuki, for example, rural volumes accounted for 41% of overall volumes in FY21 which is an increase of 200-250 bps y-o-y.

While sales have, no doubt, been strong, India Inc's bottom-line continues to be driven as much by cost cuts as it has been in the past three quarters.

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EXPRESS PHOTO: PREM NATH PANDEY

## POWER STRUGGLE

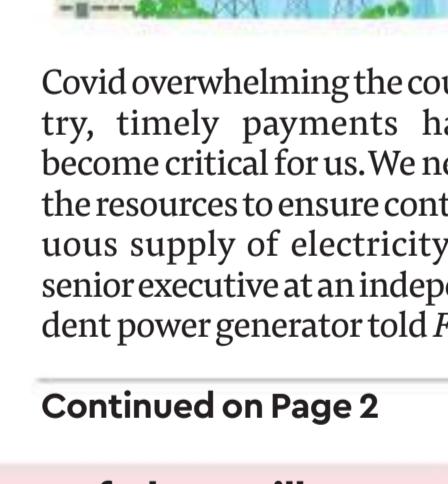
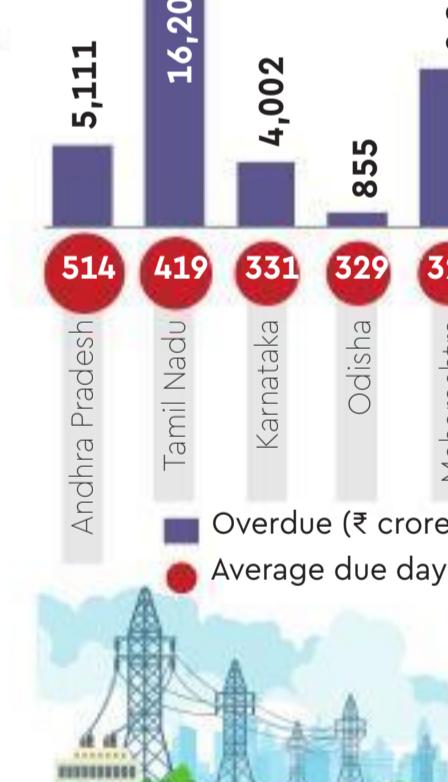
## Discoms taking longer to clear their dues

ANUPAM CHATTERJEE  
New Delhi, May 9

STATE-RUN POWER DISTRIBUTION companies (discoms) are holding back payments to electricity generators for as long as one-and-a-half years, information available in the Union power ministry's 'Prapti' portal shows. Power generators usually raise bills between 5 to 15 days after the end of every month and discoms are supposed to pay them within 30 days or at best 60 days. But while discoms are clearing their bills — they are waiting for as long as they can to do so. In March, for instance, they cleared bills worth ₹30,438 crore.

Delaying payments to generators help cash-strapped discoms manage their working capital cycles and avoid costly working capital loans. But it is taking a toll on power generators which need to pay for coal in advance and service their debt obligations

"With the second wave of



Covid overwhelming the country, timely payments have become critical for us. We need the resources to ensure continuous supply of electricity," a senior executive at an independent power generator told FE.

Continued on Page 2

**EXTRADITION ORDER**  
**Nirav Modi's appeal awaits UK High Court judge decision**

ADITI KHANNA  
London, May 9

FUGITIVE DIAMOND MERCHANT Nirav Modi, whose extradition to India was ordered last month by UK Home Secretary Priti Patel in the estimated ₹2-billion Punjab National Bank (PNB) scam case, has filed an application for permission to appeal against the order in the High Court in London.

The Crown Prosecution Service (CPS) confirmed an appeal has been lodged but a high court judge who will make a decision on the matter is yet to be assigned. "The matter has not been sent to a judge for consideration on the papers," the Administrative Division of the Royal Courts of Justice in London said this week.

In the first instance, a high court judge will make a decision "on the papers" submitted for the appeal and determine if there are any grounds for an appeal against the home secretary's decision or the Westminster Magistrates Court February ruling in favour of Modi's extradition to India to face charges of fraud and money laundering.

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Free oxygen being provided at a gurdwara in Indirapuram, Ghaziabad, on Sunday

## COVID-19

**Lockdown in Delhi till May 17 now; no Metro, weddings at public places**

PRESS TRUST OF INDIA  
New Delhi, May 9

THE ONGOING LOCKDOWN in Delhi due to surging Covid-19 was on Sunday extended up to May 17 morning with suspension of Metro services and prohibition of wedding at public places. Delhi chief minister Arvind Kejriwal said although cases and positivity rate have

come down in the last few days, any leniency would squander the gains achieved so far in the current wave of the pandemic.

Marriages will be held at home or in courts with not more than 20 people, according to an order issued by the Delhi Disaster Management Authority (DDMA).

Continued on Page 2

## Lockdown extended in UP till May 17

THE UTTAR PRADESH government on Sunday extended the statewide lockdown ending on Monday by a week, a senior official said, reports PTI. The "corona curfew", which was earlier scheduled

to end at 7 am on May 10, has been extended till May 17 morning. "The corona curfew is giving positive results, and it is helping in breaking the chain of infection..." the UP government said. ■ Page 2

## FM: GST exemption on Covid vaccine to make them costlier

FINANCE MINISTER NIRMALA Sitharaman on Sunday said GST exemption to domestic supplies and commercial import of Covid drugs, vaccines and oxygen concentrators would make these items costlier for consumers as manufacturers would not be able to offset the taxes paid on inputs, reports PTI. Currently, domestic supplies and commercial imports of vaccines attract a 5% GST, while it is 12% on Covid drugs and oxygen concentrators. ■ Page 2

## FE SPECIALS



## BRANDWAGON, P10

**Stay away from tokenism**

This is the time for marketers to do their bit as citizens of a country in need, says Leo Burnett's Dheeraj Sinha

## eFE, P8

**Intelligent enterprises**

Innovation is much more than a competitive advantage, says SAP's Sindhu Gangadharan

## PERSONAL FINANCE, P9

**Health cover for Covid treatment**

You need a comprehensive health insurance or a standard health insurance policy or a short-term Covid specific cover

## INFRASTRUCTURE, P11

**Sale of PSEs vital to NIP's success**

The govt needs to address structural issues if its ambitious divestment target of ₹1.75 trillion for FY22 is to be realised

## SCIENCE &amp; TECH, P12

**Vaccine IPR waivers needed now**

US-backed effort to waive patent protection for vaccines, even if successful, is unlikely to narrow a yawning gap in access

## OFFLINE CARD TRANSACTION

## Fintechs pick up MDR tab, enjoy float till transaction settled

SHRITAMA BOSE  
Mumbai, May 9

any has access to the merchant's float until the transaction is settled.

To be sure, merchants would opt for a waiver of the MDR, typically 2-3% on the value of the purchase, only if they are severely strapped for cash. Else, it would not make sense for them to give up the float.

Industry sources said BharatPe and Paytm are among the companies offering this form of settlement. Emails sent to the two companies did



# Economy

MONDAY, MAY 10, 2021

**OPTIMISM**

Chandra Shekhar Ghosh, MD &amp; CEO, Bandhan Bank

We remain cautiously optimistic for the current fiscal as we have made additional provisioning as safeguard. The second wave of Covid pain is expected to subside in the next two-three months.

Himanta Biswa Sarma to be next Assam CM

PRESS TRUST OF INDIA  
Guwahati, May 9

**NORTH EAST DEMOCRATIC**  
Alliance (NEDA) convenor Himanta Biswa Sarma is all set to become Assam's next chief minister after being elected unanimously as the leader of the BJP Legislature Party and subsequently as the NDA Legislature Party on Sunday, central observer and Union agricultural minister Narendra Singh Tomar said.

Ending speculations on who would occupy the top post as both Sarma and outgoing chief minister Sarbananda Sonowal were contenders, the powerful NEDA convenor was elected as the legislature party leader, a week after the ruling alliance won the assembly elections with a clear majority for the second successive term.

Sources said Sarma was likely to meet governor Jagadish Mukhi on Sunday evening to stake claim for the formation of the next government.

The swearing in of the new ministry was likely to be held on Monday at the Srimanta Sankardeva Kalakshetra.

Sarma's name was proposed by the outgoing chief minister Sarbananda Sonowal and seconded by BJP state party president and Pat Charchukuchi MLA Ranjeet Kumar Dass and newly elected Haflong MLA Nandita Garlosa.

"As no other name was proposed for the top job, Sarma has been elected unanimously as the BJP Legislature Party leader," Tomar said.

The meeting was held amid strict Covid distancing and safety rules at the BJP's conference hall in the Assam Legislative Assembly, in the presence of central observers Tomar and Arun Singh, party's national general secretary.

A meeting of NDA partners BJP, ACP and UPPL was also subsequently held and Sarma was unanimously elected as the leader of the NDA Legislature Party, paving the way for him to become the next chief minister of the state.

Earlier in the day, Sonowal tendered his resignation as CM to the governor.

**GST EXEMPTION**

## No waiver on Covid items, FM says move will make them costlier

PRESS TRUST OF INDIA  
New Delhi, May 9



**FINANCE MINISTER NIRMALA SITHARAMAN** on Sunday said GST exemption to domestic supplies and commercial import of Covid drugs, vaccines and oxygen concentrators would make these items costlier for consumers as manufacturers would not be able to offset the taxes paid on inputs.

Currently, domestic supplies and commercial imports of vaccines attract a 5% Goods and Services Tax (GST), while it is 12% in case of Covid drugs and oxygen concentrators.

"If full exemption from GST is given, vaccine manufacturers would not be able to offset their input taxes and would pass them on to the end consumer/citizen by increasing the price. A 5% GST rate ensures that the manufacturer is able to utilise ITC and in case of overflow of ITC, claim

refund. Hence exemption to vaccine from GST would be counterproductive without benefiting the consumer," Sitharaman tweeted.

She further said that if Integrated GST (IGST) of ₹100 is collected on an item, ₹50 accrues to the Centre and the states each as Central GST and State GST respectively. Further 41% of the CGST revenue is devolved to states. So, out of a collection of ₹100, as much as ₹70.50 is the share of the states.

From the GST collected on vaccine, half is earned by the

Centre and the other half by the states. Further, 41% of Centre's collections also get devolved to the states. So, states end up receiving almost 70% of the total revenue collected from vaccines.

"In fact, a nominal 5% GST is in the interest of the domestic manufacturer of vaccine and in the interest of the citizens," Sitharaman said.

West Bengal chief minister Mamata Banerjee earlier in the day wrote to Prime Minister Narendra Modi seeking exemption from GST and customs duty on any donations of oxygen concentrators, cylinders, cryogenic storage tanks and Covid related drugs from organisations or agencies.

The finance minister tweeted her response to the chief minister's letter, saying these items are already exempted from customs duty and health cess. Besides, Integrated GST (IGST) is also exempted on all Covid relief

material imported by the Indian Red Cross for free distribution in the country.

Also, IGST exemption has been given in case of goods when imported free of cost for free distribution in the country by any entity, state government, relief agency or autonomous body on the basis of a certificate issued by a state government. "In order to augment the availability of these items, government has also provided full exemption from basic customs duty and health cess to their commercial imports," Sitharaman said.

The government has already exempted from customs duty import of a host of Covid-related relief materials, including Remdesivir injection and its APIs, Inflammatory diagnostic (markers) kits, medical grade oxygen, oxygen therapy related equipment such as oxygen concentrators, cryogenic transport tanks, etc, and Covid vaccines.

## IBA CEO says bad bank expected to be operational next month

KUMAR DIPANKAR  
New Delhi, May 9



**NATIONAL ASSET RECONSTRUCTION** Company (NARCL), the name coined for the bad bank announced in the Budget 2021-22, is expected to be operational in June.

Bad bank refers to a financial institution that takes over bad assets of lenders and undertakes resolution.

The new entity is being created in collaboration with both public and private sector banks, Indian Banks' Association chief executive officer (CEO) Sunil Mehta told PTI.

"Various preparatory work is going on and we hope that it should be operational next month. The biggest advantage of NARCL would be aggregation of identified NPAs (non-performing assets).

"This is expected to be more efficient in recovery as it will step into the shoes of multiple lenders who currently have different compulsions when it comes to resolving a bad loan," he said. NARCL will take over identified bad loans of lenders,

Mehta said. He added that the lead bank with offer in hand of NARCL will go for a 'Swiss Challenge', where other asset reconstruction players will be invited to better the offer made by a chosen bidder for finding higher valuation of an NPA on sale. The company will pick up those assets that are 100% provided for by the lenders, he added.

Finance minister Nirmala Sitharaman in Budget 2021-22 announced that the high level of provisioning by public sector banks of their stressed assets calls for measures to clean up the bank books.

"An Asset Reconstruction Company Limited and Asset Management Company would be set up to consolidate and take over the existing stressed

debt," she had said in the Budget speech. It will then manage and dispose of the assets to alternate investment funds and other potential investors for eventual value realisation, she added.

Last year, IBA had made a proposal for creation of a bad bank for swift resolution of non-performing assets (NPAs). The government accepted the proposal and decided to go for asset reconstruction company (ARC) and asset management company (AMC) model for this.

Mehta further said NARCL will pay up to 15% of the agreed value for the loans in cash and the remaining 85% would be government-guaranteed security receipts.

The government guarantee would be invoked if there is loss against the threshold value, he added.

The Reserve Bank of India (RBI) has said that loans classified as fraud cannot be sold to NARCL.

As per the annual report of the RBI, about 1.9 lakh crore of loans have been classified as fraud as on March 2020.

— PTI

Foreign investors have pulled out ₹5,936 crore from the Indian equities in the first week of May amid worries over the intense second wave of coronavirus infection and its fallout on the economy.

Foreign investors had pulled out ₹9,659 crore in April after infusing money in the preceding six months, according to the depositories' data.

If fears of Covid-19 persist among overseas investors, then further redemptions cannot be ruled out, Himanshu Srivastava, associate director - Manager Research, Morningstar India, stated.

According to the data, foreign portfolio investors (FPIs) withdrew a net sum of ₹5,936 crore from Indian equity markets during May 3-7.

Prior to April's outflow, FPIs had been infusing money in equities since October. They invested over ₹1.97 lakh crore in equities during October 2020 to March 2021. This

included a net investment of ₹55,741 crore in the first three months of this year.

"The nervousness among FPIs with regards to the second wave of coronavirus pandemic in India was visible in the flow numbers for this week," Srivastava said.

Alok Aggarwala, chief research officer, Bajaj Capital, said the pullback by FPIs is consistent with a sharp rise in Covid-19 cases in India, statewide lockdowns and the consequent slowdown in growth.

Prior to April's outflow, FPIs had been infusing money in equities since October. They invested over ₹1.97 lakh crore in equities during October 2020 to March 2021.

In addition, a weak currency added to the outflows by FPIs, he added.

Harsh Jain, co-founder and COO of Groww, opined that the recent withdrawal could be due to profit booking.

"FPIs had started investing heavily around April 2020. Since then, the markets have climbed significantly and many of the stock picks made by them have given good returns over the same period," he said.

He further said that many FPIs are starting to book profits they have made over the last one year and that could be the reason why we are seeing an outflow of investors from Indian equities.

On the other hand, FPIs have put in net sum of ₹89 crore in the debt securities in

the first week of May after selling net amount of ₹118 crore in the preceding month.

"FPI flows in debt have turned positive due to expectations of slower economic recovery, a continued accommodative monetary policy stance and the launch of G-SAP 1.0 by the RBI which has led to

to change in outlook for interest rates," Bajaj Capital's Aggarwala said. So far this year, overseas investors have put in a net sum of ₹40,146 crore in equities, however, they pulled out net amount of ₹15,547 crore from debt securities.

According to Morningstar India's Srivastava, rising Covid cases in the country and extension of lockdowns could play a spoilsport.

"Moreover, the uncertainty over the degree of impact of the second wave of Covid-19 crisis on the economy could continue to keep foreign investors on the sidelines. This can also potentially force FPIs to adopt a wait and watch approach for a relatively longer period of time," he said.

**From the Front Page**

## Discoms taking longer to clear their dues



The discoms seem to be taking full advantage of the Electricity Late Payment Surcharge Rules, 2021, by which penalty for late payments was reduced to a "base rate" which is 500 basis points more than SBI's marginal cost of funds-based lending rate. Earlier, the penalty was 18%. The rules were changed in February.

The average delay is highest in Andhra Pradesh at 514 days, followed by Tamil Nadu where payments are now late by 419 days. Other states that are taking time to pay their bills include Karnataka (331 days), Odisha (329 days) now, but strictness is needed, Kejriwal said.

"The restrictions need to be upheld for some time more. Otherwise, we will lose whatever we have achieved till now. As I have mentioned earlier, this is an extremely difficult period, the second wave is quite deadly, with many losing lives. First and foremost, we have to save lives."

The lockdown scheduled to end at 5 am on Monday will now be extended up to May 17 morning, stated the DDMA order. Movement on the roads will also be closely monitored during the lockdown.

Police authorities will ensure effective checking of persons and vehicles on the roads by putting adequate number of pickets with the objective to prevent unnecessary movement of people on roads during curfew, the DDMA said.

"Delhi Police will also

ensure that movement of individuals and vehicles should be allowed strictly as per the guidelines/ protocols prescribed in the curfew order."

The Delhi CM said that he got feedback from many stakeholders and the opinion was in favour of extending lockdown for another week. "We must remember *Jaan Hai Toh, Jahan Hai*...this time, the lockdown will be stricter and the Delhi Metro will not ply from tomorrow," he said in an online briefing.

Following that decision, there is scope for the defence team to seek an oral hearing to plead their case. There are no certain time-frames for the legal

processes involved, which could take months.

"We are waiting to see if they do apply for permission to appeal. If they are allowed to appeal then we would contest any appeal proceedings on behalf of the GOI (government of India)," a CPS spokesperson had said earlier.

Meanwhile, 50-year-old Modi remains behind bars at Wandsworth Prison in southwest London since his arrest over two years ago on March 19, 2019.

As witnessed in the extradition case of former Kingfisher

In his ruling in February, District Judge Sam Goozee said that the diamond merchant has a case to answer before the Indian courts and that the bars to extradition under UK law do not apply in his case.

As part of a very comprehensive judgment, the judge concluded that he was satisfied that there is evidence upon which Modi could be convicted in relation to the conspiracy to defraud the PNB.

"A prima facie case is established," he said, in relation to all counts of charges brought by the Central Bureau of Investigation (CBI) and Enforcement Directorate (ED), including money laundering, intimidation of witnesses and disappearance of evidence.

The court had also accepted that while Modi's mental health had deteriorated due to the lengthy incarceration in a London prison, exacerbated by the Covid-19 pandemic, his risk of suicide did not meet the high threshold to conclude that it would be "unjust or oppressive" to extradite him.

Modi is the subject of two sets of criminal proceedings, with the CBI case relating to a large-scale fraud upon PNB through the fraudulent obtaining of letters of undertaking (LoUs) or loan agreements, and the ED case relating to the laundering of the proceeds of that fraud. He also faces two additional charges of "causing the disappearance of evidence" and "intimidating witnesses or criminal intimidation to cause death", which were added on to the CBI case.

As witnessed in the extradition case of former Kingfisher

Airlines chief Vijay Mallya -- who remains on bail in the UK while a "confidential" matter, believed to be related to an asylum request, is resolved -- there is still some way to go before Modi can be moved from Wandsworth Prison in London to Barrack 12 Arthur Road jail in Mumbai and face trial in India.

— PTI

## Q4 earnings: IT firms take lead as India Inc turns in good numbers

For the sample, the total expenditure went up by only 8% y-o-y. At Gujarat Ambuja, for instance, costs declined to ₹3,688/tonne, a drop of 4% y-o-y on the back of lower material costs, higher use of alternate fuels, better efficiencies in energy consumption and logistics and lower clinker factor. At Tata Steel, expenditure went up just 15% y-o-y while sales increased 39% y-o-y.

Consequently, operating profit margins for the sample have expanded 650 points y-o-y pushing up the operating profit by a stunning 73%. While the management commentary from IT software services players has sounded confident and the guidance for FY22 has been encouraging, players catering for the home market, especially the consumer-facing firms have been circumspect. Sanjiv Mehta, MD&CEO, Hindustan Unilever, for instance, observed it would be hard to say how the business

would fare in the current quarter given the several localised restrictions due to the ferocious second wave.

Fintechs pick up MDR tab, enjoy merchant's float

Sachin Shettigar, EVP, (merchant onboarding, risk and settlement), Mswhite, told FE the company does not offer merchants a deferred settlement facility but pays all its merchants on a T+1 basis and, for QR transactions, on the same working day. "This is in line with the RBI 2009 directives for merchant payments by intermediaries," Shettigar said. The only exception is for online transactions where payments can happen on a T+1 basis with the T depending on the agreement with the merchant.

Since RBI's 2021 guidelines on the regulation of payment aggregators and payment gateways are not applicable to offline players, fintechs can use their discretion for settlement practices. Emailed queries sent to the RBI on its stance on the 15-day offline settlement option remained unanswered.

A former RBI executive said that the innovation bears marks of a credit product. "If this is happening then it's quite surprising because it will also involve banks and the card networks who are prone to be more compliant than fintechs. I don't think the RBI will look upon this kindly," he said.



## Divi's Laboratories Limited

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E-mail: mail@divislabs.com URL: www.divislabs.com

## NOTICE TO SHAREHOLDERS

Transfer of Equity shares of the Company to the Investor Education and Protection Fund (IEPF) Authority

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As per the said Rules, the Company has sent individual communication to the concerned shareholders whose shares are liable to be transferred to IEPF Account, at their address registered with the Company. In case the Company does not receive any communication from the concerned shareholders by 31 August, 2021, the Company shall, with a view to comply with the requirement set out in the Rules, transfer the shares to IEPF Account by the due date, without any further notice as per procedure stipulated in the Rules.

The concerned shareholders may note that, upon such transfer, they can claim the said shares along with the dividend(s) from IEPF Authority after following the procedure prescribed by the Rules.

For further information, concerned shareholders may contact:

The Registrar and Transfer Agent  
M/s. KFin Technologies Private Limited,  
Unit: Divi's Laboratories Limited,  
Selenium Tower No. B, Plot No. 31-32, Gachibowli,  
Financial District, Nanakramguda, Hyderabad - 500 032,  
Ph: +91 040 67161526, Email id: einward.ris@karvy.com

Members may also write to the Company Secretary at the registered office or send e-mail at cs@divislabs.com

For Divi's Laboratories Limited  
M. Satish Choudhury  
Hyderabad  
08 May, 2021  
Company Secretary & Compliance Officer

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## "IMPORTANT"

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**FORM NO. INC-26**  
[PURSUANT TO Rule 43 of Companies (Incorporation) Rules, 2014]  
Before the Central Government  
Regional Director, Northern Region,  
National Capital Territory of Delhi  
In the matter of Section 12, sub-section 4 of  
Section 13 of the Companies Act, 2013 and  
clause (a) of rule 5(4) Rule 30 of  
the Companies (Incorporation) Rules, 2014  
AND  
In the matter of Dadri Toe Warehousing Private Limited (CIN: U63030HR2020PTC087088) having its registered office at 3rd Floor, 77-B, IFFCO Road, Sector-18, Gurgaon-122015, Haryana..... Petitioner  
Notice is hereby given to General Public that the Company proposes to make an 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 special resolution passed at Extraordinary General Meeting held on Monday, April 12, 2021 enabling the Company to change its name from "Dadri Toe" to "State of Haryana" to "State of Maharashtra".  
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 or mca.gov.in a written objection containing terms and conditions to be delivered or send by affidavit stating the nature of his/her/their interest and grounds of opposition to the Regional Director, Northern Region, Ministry of Corporate Affairs at its Address: 5th Wing, 5th Floor, Parmanand Bhawan, CGO Complex, New Delhi-110003, within fourteen days of date of publication of this notice with a copy to the applicant Company at its registered office at 3rd Floor, 77-B IFFCO Road, Sector-18 Gurgaon-122015, Haryana.

For and on behalf of the Applicant  
Dadri Toe Warehousing Private Limited  
Sd/-  
Deepak Dattatreya Deshpande  
Date : 07.05.2021  
Place : Mumbai  
DIN: 06960978  
Address: 301, Veronica, Vasant Oasis, Marol, Andheri (East), Mumbai - 400059

Note: - The e-tender is to be submit through railway website 'www.ireps.gov.in'. The tenders can be submit on website Up to 15.00 hrs. on 01.06.2021 and shall be opened there after.

989/21

**Edelweiss** Ideas create, values protect | MUTUAL FUND

Edelweiss House, Off C.S.T Road, Kalina, Mumbai - 400098

## NOTICE CUM ADDENDUM TO THE SCHEME INFORMATION DOCUMENT (SID) AND KEY INFORMATION MEMORANDUM (KIM) OF THE SCHEMES OF EDELWEISS MUTUAL FUND

## Revision / Changes in the Risk-o-meter for the Schemes of Edelweiss Mutual Fund

Notice is hereby given that pursuant to SEBI Circular No. SEBI/HO/IMD/DF3/CIR/P/2020/197 dated October 05, 2020 and our notice dated January 8, 2021 on Product Labeling in Mutual Fund Schemes, Risk-o-meters of the following Schemes of Edelweiss Mutual Fund (the Fund) have been revised / changed with effect from May 10, 2021, as stated below:

Name of the Scheme	Existing	Revised
Bharat Bond FOF - April 2030	This product is suitable for investors who are seeking*:  • Income over the Target Maturity period • An open ended Target Maturity fund of funds scheme with the primary objective to generate returns by investing in units of BHARAT Bond ETF - April 2030	Risk-o-meter  Investors understand that their principal will be at moderately high risk
Edelweiss Balanced Advantage Fund	This product is suitable for investors who are seeking*:  • To create wealth over long term and prevent capital erosion in medium term • Investment predominantly in equity and equity related securities including through arbitrage opportunities with balance exposure to debt and money market securities	Risk-o-meter  Investors understand that their principal will be at very high risk

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

Kindly note that change in risk-o-meter will not be considered as a Fundamental Attribute Change of the scheme in terms of regulation 18(1A) of SEBI (Mutual Fund) Regulations, 1996.

Investors are requested to take note that the Fund evaluates Risk-o-Meter for the Schemes on monthly basis and are disclosed along with the Portfolio of the Scheme. Any change in risk-o-meter will be communicated by way of Notice cum Addendum and by way of an e-mail or SMS to unitholders of that particular scheme.

Pursuant to the above, necessary changes will be carried out in the relevant sections of the SID/KIM of the Schemes of the Edelweiss Mutual Fund ("the Fund"). All the other provisions and terms and conditions of the Schemes of the Fund shall remain unchanged.

This addendum shall form an integral part of the SID/KIM of the Schemes of the Fund, as amended from time to time.

Investors are requested to take note of the above.

For Edelweiss Asset Management Limited  
(Investment Manager to Edelweiss Mutual Fund)

Sd/-

Radhika Gupta  
Managing Director & Chief Executive Officer  
(DIN: 02657595)

For more information please contact:  
Edelweiss Asset Management Limited (Investment Manager to Edelweiss Mutual Fund)  
CIN: U65991MH2007PLC173409

Registered Office & Corporate Office: Edelweiss House, Off C.S.T Road, Kalina, Mumbai - 400098; Tel No: 022 4093 3400 / 4097 9821,  
Toll Free No. 1800 425 0090 (MTNL/BSNL), Non Toll Free No. 91 40 23001181, Fax: 022 4093 3401 / 4093 3402 / 4093 3403  
Website: www.edelweissmf.com

MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS,  
READ ALL SCHEME RELATED DOCUMENTS CAREFULLY.

**J&K Bank**  
Serving To Empower  
Human Resources Development Department  
Corporate Headquarters  
M.A.Road Srinagar  
190 001 Kashmir J&K

## e-Request for Proposal Notice (e-RFP)

## Group Accidental Insurance Cover to Employees of J&amp;K Bank

Tender Notice along with Complete tender document outlining the minimum requirements can be downloaded from and BIDs can be submitted on the Banks' e-Tendering Portal <https://jkbank.abcprocure.com> w.e.f. May 10, 2021, 16:00 Hrs. Tender Document can also be downloaded from Bank's Official Website [www.jkbank.com](http://www.jkbank.com). Last date for submission of Bids is May 31, 2021, 17:00 Hrs.

e-Tender Ref. No. JKBB/CHQ/HR/GAI/2021-055  
Dated: 06-05-2021

## EXPRESSION OF INTEREST (EOI)

A joint venture company involving global leader in ground control products & services and fast-growing manufacturing start-up business from India invites an expression of interests for supply of 5.6mm ( $\pm$  4%) GALVANISED STEEL WIRE MESH in 100mm aperture with flush edges for underground and tunnelling applications. Total initial requirement is estimated at 2,50,000+ sheets per annum. Other detailed product specifications shall be provided on request.

## ENGAGEMENT MODEL

Interested potential partners can submit Expression of Interest by 31 May 2021, which includes company profile, manufacturing capabilities, infra structure and other relevant information along with references (work executed & volume) on the following email id:-

vidhyasagar.natarajan@gmail.com, M: +91 8306663939

## INTEGRAL COACH FACTORY

## TENDER NOTICE No. ICF/PCMM/EOT/18/2021 Dated: 07.05.2021

The following e-tenders are published in IREPS website. Firms are requested to login to [www.ireps.gov.in](http://www.ireps.gov.in) and quote against these tenders. Manual quotations will not be entertained for these tenders. Closing and Opening time for all tenders are 14.15 hrs. Hindi version of tender notice is available on website [www.icf.indianrailways.gov.in](http://www.icf.indianrailways.gov.in)

Sl. No.	Tender No.	Tender Title	Quantity	Due Date
1	08211051	SET OF IC DOOR	299 Set	21.05.2021
2	06211128	LED LIGHT FITTING FOR PASSENGER AREA CABIN	3701 no.	24.05.2021
3	08211022	S&I of under frame cable duct	624 no.	24.05.2021
4	08211107	UIC CABLES (4x4x1)c=2x0.75 (18-cores) 300/300V GRADE, THIN WALLED ELECTRON BEAM IRRADIATED FLEXIBLE ELASTOMERIC CABLE	19000 mtr.	25.05.2021
5	08211295	FABRICATED ITEM FOR LHB PARCEL VAN	102 Set	25.05.2021
6	02210049	Foot step assembly S.S. L.H.B	4600 Set	25.05.2021
7	03211236	STEEL PLATE OF SIZE 12X2500X3600mm & 3200mm 50% - 3600 TO SPEC DIN EN	3134274 kg	25.05.2021
8	02210050	SIDE BEARER COMP EMU/M-1-1-027 C	900 no.	01.06.2021
9	07211375	S&I OF SLIDING LADDER ARRANGEMENT	10 set	01.06.2021
10	03210068	ARRANGEMENT OF MODIFIED BRAKE LEVER ASSEMBLY FOR 20 TON BOGIES	188 set	01.06.2021
11	07211381	S & I OF CEILING ARRANGEMENT	65 set	01.06.2021
12	03210067	PROTECTIVE TUBE COMPLETE	9988 no.	01.06.2021
13	04213042	Liquid Oxygen for Industrial USE MINIMUM PURITY 99.00% WHEN TESTED IN GASEOUS FORM	150000 cum	02.06.2021
14	02210043	Transition Screw Coupling	180 set	02.06.2021
15	04213029	Liquid Argon with Purity of 99.99%	214378 cum	03.06.2021
16	02210051	FOOT STEP DETAIL IGBT 6-2-4-003/	700 set	04.06.2021
17	03211145	DAMPERS FOR 3PH KOL M/RAKE	3 set	07.06.2021
18	04213053	GAS CARBON-DI-OXIDE TO IS.307/66. GRADE.I WELDABLE QUALITY IN TANKER	1047494 kg	14.06.2021

GREEN ICF ! CLEAN ICF !



## CITY MONTESSORI SCHOOL FOUNDERS DECLARE THEIR PERSONAL ASSETS

Dr. Jagdish Gandhi & Dr. Bharti Gandhi, Founders of City Montessori School, Lucknow have declared their personal assets as on 1st April, 2021

Also see on Website: [www.jagdishgandhiforworldhappiness.org](http://www.jagdishgandhiforworldhappiness.org)

## Details of Assets

## Figure in Rupees

1- VEHICLES:		
Honda JAZZXMAT A/C Car		Rs. 1,65,984.00
2- INVESTMENTS:		
Infrastructure Bonds - Bharti Gandhi		Rs. 40,000.00
Infrastructure Bonds - Jagdish Gandhi		Rs. 40,000.00
Tax Saving - Bharti Gandhi (Allahabad Bank Hussainganj)		Rs. 1,18,620.00
Tax Saving - Jagdish Gandhi (Allahabad Bank Hussainganj)		Rs. 1,01,673.00
	<b>TOTAL</b>	<b></b>

## SCOTTISH REFERENDUM

## UK PM calls for summit of Scottish, Welsh govts

ADITI KHANNA  
London, May 9

**UK PRIME MINISTER** Boris Johnson has called a Covid-19 recovery summit to bring together leaders of the devolved Scottish and Welsh governments, following election results that have renewed calls for another independence referendum in Scotland.

First Minister Nicola Sturgeon-led pro-independence Scottish National Party (SNP) won a strong victory, falling short of a clear majority in the Scottish Parliament Holyrood by just one seat as the results from Thursday's elections became clear on Sunday.

It led to Sturgeon declaring the vote as a mandate for a second independence referendum, the first held in 2014 which went against independence. "Given the outcome of this election, there is simply no democratic justification whatsoever for Boris Johnson or any-



Boris Johnson AP



Nicola Sturgeon REUTERS

one else seeking to block the right of the people of Scotland to choose our future," Sturgeon said in her victory speech from Glasgow. "It is the will of the country... If people in Scotland vote for a pro-independence majority in the Scottish Parliament, no politician has got the right to stand in the way of that," she said.

Johnson has consistently dismissed the notion of another referendum and is instead attempting to drive focus towards his "build back better" agenda for the entire UK in the wake of the pandemic.

"I believe passionately that the interests of people across the UK and in particular the people of Scotland are best served when we work together. We have shown that through the vaccine rollout," Johnson wrote in a letter addressed to Sturgeon on Saturday, in a pre-emptive move as the results were becoming clear.

"I recommit the UK govern-

ment to working with the Scottish government in this cooperative spirit," he said, inviting the leader to a summit in the coming weeks to discuss "shared challenges".

A similar letter has been issued to First Minister Mark Drakeford, whose Labour Party was re-elected in Wales with an impressive 30-seat win in the Welsh Senedd, which is one short of an absolute majority but enough to form a minority government.

Drakeford's cautious and measured approach in dealing with the coronavirus lockdown decisions at a devolved level are seen as the key factor behind his re-election.

"This really is a moment that the Prime Minister should seize to reset relationships across the United Kingdom, for a serious examination of the way in which we can create the machinery that will allow us to work together in the future," said Drakeford.

— PTI

## Top American fuel pipeline operator pushes to recover from cyberattack



Holding tanks are seen at Colonial Pipeline's Linden Junction Tank Farm in Woodbridge, New Jersey. REUTERS

REUTERS  
May 9

**TOP US FUEL** pipeline operator Colonial Pipeline worked on Sunday to recover from a ransomware cyberattack that forced it to shut down on Friday and sparked worries of a spike in retail petrol prices.

Colonial said on Saturday it was "continuing to monitor the impact of this temporary service halt" and to work to restore service. It did not give an estimate for a restart date.

The incident is one of the most disruptive digital ransom operations ever reported and has prompted calls from American lawmakers to tighten protections for critical US energy infrastructure against hackers.

Colonial moves 2.5 million barrels of petrol per day and other fuels from refineries on the Gulf Coast to consumers in the mid-Atlantic and southeastern United States. Its 8,850-km network serves major US air-

ports, including Atlanta's Hartsfield Jackson Airport, the world's busiest by passenger traffic.

Retail fuel experts, including the American Automobile Association, said an outage lasting several days could have significant impacts on regional fuel supplies, particularly in the US southeast.

While the US government

investigation is in the early stages, a former US official and two industry sources said the hackers are likely a professional cybercriminal group and that a group dubbed "DarkSide" was likely among the potential suspects.

DarkSide is known for deploying ransomware and extorting victims while avoiding targets in post-Soviet

states. Ransomware is a type of malware designed to lock down systems by encrypting data and demanding payment to regain access.

Cybersecurity firm FireEye has also been brought in to respond to the attack, according to the two industry sources. FireEye declined to comment.

Colonial said late on Saturday it was working with a "leading, third-party cybersecurity firm," but did not name the firm. Bloomberg News, citing people familiar with the matter, reported late on Saturday that the hackers are part of DarkSide and took nearly 100 gigabytes of data out of Colonial's network on Thursday ahead of the shutdown.

Colonial did not immediately reply to an email from Reuters seeking comment outside usual US business hours.

President Joe Biden was briefed on the incident on Saturday morning, a White House spokesperson said.

## Most Swiss still back treaty deal with EU: Poll

REUTERS  
Vienna, May 9

**MOST SWISS VOTERS** are still in favour of striking a bilateral treaty deal with the European Union, a poll for newspaper NZZ am Sonntag showed, despite years of fraught negotiation and opposition by far-right and left-wing parties.

Talks on a treaty text, which would simplify and strengthen ties between the bloc and the neutral country, stalled last month because of differences on how to interpret free movement accords, Switzerland said. Opponents say it would erode sovereignty and Swiss salaries.

A deal would have to be put to a national vote. The survey of 2,000 eligible voters by market researcher GFS Bern found 49% of respondents said they were "rather in favour" of voting for a deal and another 15% fully supported it. While 19% were rather opposed, 13% were fully against, and 4% were undecided.

Failure to strike a deal would block Switzerland from any new access to the single market, such as an electricity union. Existing accords will erode over time, such as an agreement on cross-border trade in medical technology products that lapses this month.

Last year the annual poll found the same proportion of voters in favour, 64%, despite mounting opposition by parties including the far-right SVP.

The pollster warned, however, that the support could yet change once any deal on the so-called Institutional Framework Agreement is reached. "The framework agreement has majority support but for the population it is not the be all and end all," GFS Bern's co-chief Urs Bieri told NZZ.

Of the 49% who were "rather in favour" he added, "That is a large group that has not yet settled — accordingly the result in an election campaign could still swing to a 'no'."

## Putin tells Red Square parade that Nazi ideas persist

ASSOCIATED PRESS  
Moscow, May 9

**RUSSIAN PRESIDENT VLADIMIR** Putin on Sunday marked the anniversary of the end of World War II in Europe with a speech warning that Nazi beliefs remain strong.

Speaking to the annual military parade on Moscow's Red Square, Putin decried "attempts to rewrite history, to justify traitors and criminals, on whose hands lies the blood of hundreds of thousands of peaceful people."

"Unfortunately, many of the ideologies of the Nazis, those who were obsessed with the delusional theory of their exclusiveness, are again trying to be put into service," he said.

## Death toll soars to 50 in school bombing in Afghan capital

The blasts occurred in a mostly Shiite neighbourhood in the west of the capital. The Taliban denied responsibility, condemning the attack

others, said Arian, adding that the casualty figures could still rise.

In the capital rattled by relentless bombings, Saturday's attack was among the worst. Criticism has mounted over lack of security and growing fears of even more violence as the US and NATO complete their final military withdrawal from Afghanistan.

The first explosion came from a vehicle packed with explosives, followed by two

Dasht-e-Barchi neighbourhood, where the bombs occurred. Most Hazaras are Shiite Muslims. The area has been hit by violence against minority Shiites and most often claimed by the Islamic State affiliate operating in the country. No one has yet claimed Saturday's bombings.

The radical Sunni Muslim group has declared war on Afghanistan's Shiites. Washington blamed IS for a vicious attack last year in a maternity hospital in the same area that killed pregnant women and newborn babies.

Soon after the bombing, angry crowds attacked ambulances and even beat health workers as they tried to evacuate the wounded, health ministry spokesman Ghulam Dastigar Nazari said. — AP

## In tense Jerusalem, annual Israeli march to go ahead

ASSOCIATED PRESS  
Jerusalem, May 9

**POLICE ON SUNDAY** gave the go-ahead to the annual Jerusalem Day parade, a flag-waving display of Israeli claims to all of the contested city, despite days of unrest and soaring Israeli-Palestinian tensions at a flashpoint holy site.

Monday's parade will pass through Jerusalem's Old City, part of east Jerusalem, which was captured and annexed by Israel in the 1967 Mideast war.

The march was approved amid ongoing clashes between police and Palestinians in the Old City, the emotional epicentre of the long-running conflict.

Before dawn on Sunday, thousands of Muslim worshippers skirmished anew with police at the gates of the Al-



An Israeli police officer aims his rifle towards Palestinian demonstrators during clashes in Jerusalem on Saturday AP

parade should be cancelled or rerouted away from the Old City's Damascus Gate, saying "the powder keg is burning and can explode at any time."

The site, known to Jews as the Temple Mount and to Muslims as the Noble Sanctuary, is considered the holiest site in

Judaism and the third holiest in Islam. It has been a tinderbox for violence in the past.

Dozens of Palestinians were wounded in violent confrontations with police in Jerusalem overnight from Saturday to Sunday, when Muslims marked Laylat al-Qadr, or the "night of destiny," the holiest period of the Muslim fasting month of Ramadan.

On Friday, more than 200 Palestinians were wounded in clashes at the Al-Aqsa Mosque compound and elsewhere in Jerusalem, drawing condemnations from Israel's Arab allies and calls for calm from the United States, Europe and the United Nations.

Police spokesman Eli Levi said on Sunday there were no plans to call off the Jerusalem Day parade, despite the rising friction and the potential for

## Debris from China's rocket falls into Indian Ocean

KJM VARMA  
Beijing, May 9

In this April 29 photo, a Long March 5B rocket lifts off from the Wenchang Spacecraft Launch Site in China. AP

**THE REMNANTS** of an out-of-control Chinese rocket, the country's biggest, re-entered the Earth's atmosphere with most of its parts burned up and disintegrated over the Indian Ocean near the Maldives. China's space agency said on Sunday, ending days of fevered speculation over where the debris would hit.

The remnants of China's Long March 5B rocket re-entered the Earth's atmosphere at 10.24 am Beijing time and fell into an open sea area at 72.47 degrees east longitude and 2.65 degrees north latitude. China's Manned Space Engineering Office said.

The coordinates put the splash down in the Indian Ocean, close to the Maldives, Hong Kong-based South China Morning Post reported, adding that most the remnants burned up during the re-entry.

US and European tracking sites had been monitoring the uncontrolled fall of the rocket.

Monitoring service Space-Track, which uses US military data, also confirmed the re-entry. Everyone else following the Long March 5B re-entry can relax. The rocket is down," it said. "@18SPCS confirms that CZ-5B (LongMarch5B)(48275/2021-035B) reentered atmosphere 9 May at 0214Z and fell into the Indian ocean north of the Maldives at 22.2, long 50.0. That's all we have on this re-entry; thanks for the wild ride."

The US Space Command

confirmed the re-entry into the atmosphere of the rocket over the Arabian peninsula, but said it was unknown if the debris had hit land or water.

"The exact location of the impact and the

span of debris, both of which are unknown at this time, will not be released by US Space Command," it said in a statement.

Harvard astrophysicist Jonathan McDowell, who tracked the rocket part, wrote on Twitter, "An ocean reentry was always statistically the most likely. It appears China won its gamble. But it was still reckless."

The rocket, carrying the core module for China's Tiangong Space Station, blasted off from the Wenchang Spacecraft Launch Site on the southern island province of Hainan on April 29. — PTI

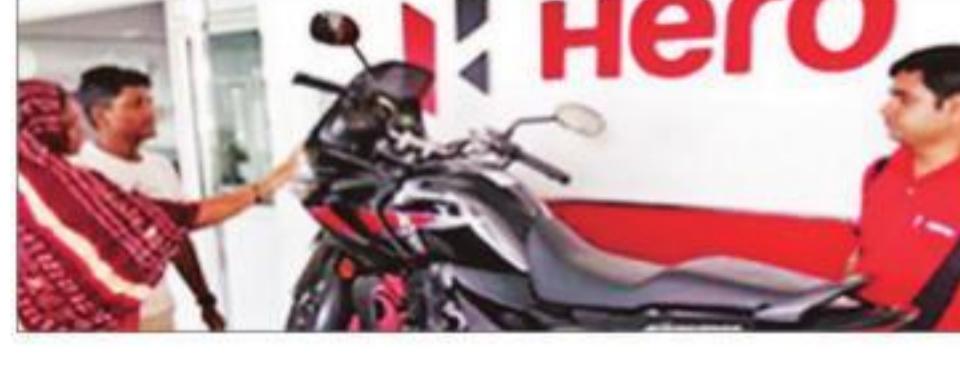
**COVID-19 IMPACT****Hero Moto extends plants shutdown till May 16**

PRESS TRUST OF INDIA  
New Delhi, May 9

**TWO-WHEELER MARKET** leader Hero MotoCorp on Sunday said it is extending the shutdown of its plants across India by another week till May 16 in view of the prevailing Covid-19 situation in the country.

The shutdown also includes the Global Parts Center(GPC) in Neemrana and R&D facility – the Centre of Innovation and Technology(CIT) in Jaipur, Hero MotoCorp said in a statement.

Last month, the company had announced temporary stopping of operations at all its six manufacturing units



located at Dharuhera and Gurugram, Haryana; Chittoor in Andhra Pradesh; Hardwar in Uttarakhand; Neemrana in Rajasthan, and Halol in Gujarat with a total yearly production capacity of 90 lakh units.

"The company is continuously monitoring the situation and is ready with its business continuity plans to be able to quickly resume and scale up operations as and when the situation improves," the statement added.

The extension of suspension of operations at the plants is also in line with its commitment to the safety and welfare of its people and to break the chain of the spread of Covid-19, Hero MotoCorp said.

The Railways also delivered

PRESS TRUST OF INDIA  
New Delhi, May 9

**THE RAILWAYS HAS** delivered nearly 4,200 tonne of liquid medical oxygen in more than 268 tankers to various states since April 19, the national transporter said on Sunday.

So far, 68 'Oxygen Express' trains have completed their journeys, it said.

Till now, 293 tonnes of liquid medical oxygen (LMO) have been unloaded in Maharashtra, 1,230 tonnes in Uttar Pradesh, 271 tonnes to Madhya Pradesh, 555 tonnes in Haryana, 123 tonnes in Telangana, 40 tonnes in Rajasthan and 1,679 tonnes in Delhi, it said.



oxygen to new cities including Kanpur, which received 80 tonnes on Sunday.

"More loaded 'Oxygen Expresses' are expected to start their journeys later in the night," the Railways said.

The Railways started running 'Oxygen Express' trains to transport liquid medical oxygen last month when the country reported acute shortage of the life-saving gas amid a deadly second Covid-19 wave.

**2,118 branches of PSBs closed or merged in last fiscal: RTI reply**

PRESS TRUST OF INDIA  
Indore, May 9

AS MANY AS 2,118 branches of 10 public sector banks have either been closed or merged with other banks in the last fiscal, according to an RTI reply.

The highest number of 1,283 branches of Bank of Baroda were either closed or merged, according to information provided to an RTI query filed by Neemuch-based activist Chandreshkumar Gaud.

No branch of Bank of India and UCO bank was closed in the last fiscal. The government consolidated ten PSU banks into



four in the last financial year, bringing the number of nationalised banks to 12.

All India Bank Employees Association general secretary CH Venkatachalam said a dip in the number of the public sector banks was not in the interest of the banking industry and domestic economy.

He said there was a need to expand the branches of the banks to cater to the vast population in the country. Bringing down the number of bank branches has reduced employment opportunities in the banking sector following which the young people were frustrated, Venkatachalam added.

**INTERVIEW: JAGDISH FOFANDI, national president, SEAI****'We might see further drop of 10 % in exports from the performance of FY21'**

**India is the largest producer of farmed-shrimps in the world and one of the highest suppliers to the global market. Last fiscal, India exported 12,89,651 tonnes of seafood worth \$6.68 billion. Jagdish Fofandi, national president of the Seafood Exporters Association of India (SEAI), speaks to FE's Rajesh Ravai about the impact of the Covid-19 pandemic on the seafood sector, and its outlook. Excerpts:**

**How was the export performance last fiscal?**  
The seafood exports have dropped 20% in both volume and value terms in the last fiscal. The impact is more in the sea-caught sector. Exporting to the Chinese market is very difficult now due to various issues and China has a 25% share in the total exports. The US market is stable but the EU market is sluggish due to the pandemic. The loss from the China market cannot be compensated from other markets. Unit prices of the exported items have also declined marginally.

**What is the outlook for the next fiscal with some coastal states imposing lockdown?**  
In a lockdown, movement is tough even with some concessions for the seafood sector. It looks like that we might see a further drop of 10% in the exports from the performance of FY21. Seeding in farms is on the lower side according to reports from several states. The seafood sector had a sure plan of ₹1,00,000 crore exports by 2025, but things look bleak and very distant now.

**The sea-caught sector is seen sluggish in the recent past. What is your outlook?**  
We need a concrete conservation policy with all the coastal states coming together. Four years back, we reached an optimal fishing level and it has been declining continuously. The capacity utilisation of processing plants and ancillaries have dropped 10-15%. More than 50% of the workforce in the seafood industry is employed in the sea-caught sector. The share of sea-caught in the total exports is declining and now constitute only 30-35%. The economy of the coastal sector which employs lakhs will be affected.

**What is happening to the aquaculture sector which was seen growing robustly before the pandemic?**  
In the prevailing conditions, our focus for the next year is to

maintain the output and not look at growth. The aquaculture sector, which mainly comprises shrimp aquaculture, grew from 70,000 tonnes in 2008-09 to 80,000 tonnes in 2018-19 and is now beset with serious problems of disease and mismanagement. It had the potential to double by 2025.

**What about issues with China and the non-tariff barriers?**  
China has started more stringent checking with the second wave of Covid-19 and this, in turn, leads to delayed clearance and payment. Unreasonable delay in payment, transhipment and vessel waiting for charges by the shipping lines are adding to the uncertainty. Issues are also there with white spot disease syndrome and Covid presence in packing materials. The entire west coast depends on exports to China and is suffering.

**There are also reports of container shortage?**  
Container shortages are still a big problem and it's a global issue. Another big issue is that freight charges have increased. For refer containers to the US, charges have increased from \$3500 in March 2020 to \$6500 at present. Maersk has now announced that from May 2021 it will be \$12,500. Other operators will follow. No industry can survive with these kinds of cost increase.

**What about support from the Government for the sector?**  
Sickness is brewing in the sector with many small exporters on the verge of being classified as NPAs. So far there has been no direct support to the exports sector. Markets are stable, but we are apprehensive about the incentives and policies. Merchandise Export from India Scheme (MEIS) was withdrawn without an alternate scheme. Interest subvention is limited to MSME and big exporters don't get the benefit. We are in a buyers' market and cannot survive without Government support.

**What is happening to the aquaculture sector which was seen growing robustly before the pandemic?**  
In the prevailing conditions, our focus for the next year is to

**Nearly 4,200 MT of liquid medical oxygen delivered via Oxygen Express since Apr 19**

PRESS TRUST OF INDIA  
New Delhi, May 9

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The Railways started running 'Oxygen Express' trains to transport liquid medical oxygen last month when the country reported acute shortage of the life-saving gas amid a deadly second Covid-19 wave.

**Govt extends anti-dumping duty on seamless tubes, pipes till Oct**

PRESS TRUST OF INDIA  
New Delhi, May 9

**THE GOVERNMENT HAS** extended anti-dumping duty on certain types of seamless tubes, and pipes till October 31 this year with a view to guarding domestic manufacturers from cheap Chinese imports.

The duty on 'seamless tubes, pipes and hollow profiles of iron, alloy or non-alloy steel (other than cast iron and stainless steel)', whether hot finished or cold drawn or cold rolled of an external diameter not exceeding 355.6 mm was first imposed in May 2016 for five years.

"...the anti-dumping duty imposed under this notification shall remain in force up to and inclusive of the 31st Octo-



**The commerce ministry's investigation arm, DGTR, had recommended for extension of the duty, after concluding a probe**

extension of the duty, after concluding a probe.

While DGTR recommends the duty to be levied, the finance ministry imposes it.

Countries initiate anti-dumping probes to determine if the domestic industry has been hurt by a surge in below-cost imports. As a counter-measure, they impose duties under the multilateral WTO regime.

Anti-dumping measures are taken to ensure fair trade and provide a level-playing field to the domestic industry. They are not a measure to restrict imports or cause an unjustified increase in cost of products.

India has initiated maximum anti-dumping cases against dumped imports from China.

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**PUBLIC ANNOUNCEMENT****FINCARE SMALL FINANCE BANK LIMITED**

Our Bank was incorporated as Banas Finlease Private Limited at Palanpur, Gujarat as a private limited company under the Companies Act, 1956, and a certificate of incorporation was granted by the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli on April 5, 1995. The name of our Bank changed from Banas Finlease Private Limited to Disha Microfin Private Limited as a result of change in management of our Bank and a fresh certificate of incorporation consequent upon change of name was granted by the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli on March 26, 2010. On October 7, 2015, our Bank was granted an in-principle approval by the RBI to convert into a small finance bank in the private sector under Section 22 of the Banking Regulation Act, 1949. Subsequently, our Bank was converted into a public limited company pursuant to a special resolution passed by our Shareholders at the EGM held on November 29, 2016, and a certificate of incorporation consequent upon conversion to public limited company was granted by the Registrar of Companies, Gujarat at Ahmedabad ("RoC") on December 13, 2016. Thereafter, our Bank was granted a license by the RBI on May 12, 2017, to carry on small finance bank business in India in terms of Section 22(1) of the Banking Regulation Act, 1949. Consequently, the name of our Bank changed from Disha Microfin Limited to Fincare Small Finance Bank Limited, and on June 14, 2017, a fresh certificate of incorporation pursuant to change of name, was granted by the RoC. Our Bank commenced its operations as a small finance bank with effect from July 21, 2017. Our Bank was included in the second schedule to the RBI Act pursuant to a notification dated March 28, 2019 issued by the RBI. For further details, see "History and Certain Corporate Matters" on page 177 of the Draft Red Herring Prospectus dated May 8, 2021 ("DRHP").

**Registered Office:** 301-306, 3rd Floor, Abhi-Jeet -V, Opp. Mayor's Bunglow, Law Garden Road, Mithakali, Ahmedabad 380 006, Gujarat, India. **Tele:** +91 79 4001 1000; **Corporate Office:** 5th Floor, Bren Mercury, Kalkondanahalli, Sarjapur Main Road, Bengaluru 560035, Karnataka, India; **Tele:** +91 80 4250 4444; **Website:** www.fin carebank.com; **Contact Person:** Shafaly Kothari, Company Secretary and Compliance Officer; **E-mail:** stbcompsec@fin carebank.com

**Corporate Identity Number:** U67120GJ1995PLC025373

**OUR PROMOTER: FINCARE BUSINESS SERVICES LIMITED**

**INITIAL PUBLIC OFFER OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹10 EACH ("EQUITY SHARES") OF FINCARE SMALL FINANCE BANK LIMITED ("BANK" OR "ISSUER" OR "FSFL") FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹[●] PER EQUITY SHARE) (THE "OFFER PRICE") AGGRAGATING UP TO ₹13,300 MILLION ("OFFER") COMPRISING OF A FRESH ISSUE BY OUR BANK OF UP TO [●] EQUITY SHARES AGGRAGATING UP TO ₹3,300 MILLION (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO [●] EQUITY SHARES AGGRAGATING UP TO ₹10,000 MILLION ("OFFER FOR SALE") BY FINCARE BUSINESS SERVICES LIMITED ("PROMOTER SELLING SHAREHOLDER") AND SUCH EQUITY SHARES, THE "OFFERED SHARES"). THIS OFFER INCLUDES A RESERVATION OF UP TO [●] EQUITY SHARES, AGGRAGATING UP TO ₹[●] MILLION (CONSTITUTING UP TO [●] % OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL), FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES ("EMPLOYEE RESERVATION PORTION"). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET OFFER". OUR BANK AND THE PROMOTER SELLING SHAREHOLDER MAY, IN CONSULTATION WITH THE MANAGERS, OFFER A DISCOUNT OF UP TO [●] % TO THE OFFER PRICE (EQUIVALENT OF ₹[●] PER EQUITY SHARE) TO ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION ("EMPLOYEE DISCOUNT"). THE OFFER AND THE NET OFFER SHALL CONSTITUTE AT LEAST [●] % AND [●] %, RESPECTIVELY, OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR BANK.**

OUR BANK MAY, IN CONSULTATION WITH THE MANAGERS, CONSIDER A PRE-IPO PLACEMENT OF SUCH NUMBER OF EQUITY SHARES FOR AN AGGREGATE AMOUNT OF UP TO ₹2,000 MILLION ("PRE-IPO PLACEMENT"). THE PRE-IPO PLACEMENT WILL BE AT A PRICE TO BE DECIDED BY OUR BANK, IN CONSULTATION WITH THE MANAGERS AND THE PRE-IPO PLACEMENT, IF ANY, WILL BE UNDERTAKEN PRIOR TO FILING OF THE RED HERRING PROSPECTUS WITH THE ROC. IF THE PRE-IPO PLACEMENT IS UNDERTAKEN, THE AGGREGATE AMOUNT RAISED FROM THE PRE-IPO PLACEMENT WILL BE REDUCED FROM THE FRESH ISSUE, SUBJECT TO THE MINIMUM ISSUE SIZE CONSTITUTING AT LEAST [●] % OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR BANK.

**THE PRICE BAND, THE MINIMUM BID LOT AND THE EMPLOYEE DISCOUNT (IF ANY) SHALL BE DECIDED BY OUR BANK AND THE PROMOTER SELLING SHAREHOLDER, IN CONSULTATION WITH THE MANAGERS AND WILL BE ADVISED IN ALL EDITIONS OF [●], AN ENGLISH NATIONAL DAILY NEWSPAPER, ALL EDITIONS OF [●], A HINDI NATIONAL DAILY NEWSPAPER, AND IN ALL EDITIONS OF [●], A GUJARATI DAILY NEWSPAPER, EACH WITH WIDE CIRCULATION (GUJARAT BEING THE REGIONAL LANGUAGE OF GUJARAT WHERE OUR REGISTERED OFFICE IS LOCATED) AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO THE BSE LIMITED ("BSE") AND THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE"), AND TOGETHER WITH BSE, THE "STOCK EXCHANGES" FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES IN ACCORDANCE WITH THE SEBI ICDR REGULATIONS.**

In case of any revision in the Price Band, the Bid/ Offer Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid/ Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Bank and the Promoter Selling Shareholder may, in consultation with the Managers, for reasons to be recorded in writing, extend the Bid/ Offer Period for a minimum of three Working Days, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the respective websites of the Managers and at the terminals of the Syndicate Members and by intimation to Self Certified Syndicate Members, Designated Intermediaries and the Sponsor Bank.

The Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCR") read with Regulation 31 of the SEBI ICDR Regulations and in compliance with Regulation 6(2) of the SEBI ICDR Regulations, wherein not less than 75% of the Net Offer shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs") ("QIB Portion"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, subject to valid Bids being received at or above the Offer Price, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to Non-Institutional Investors and not more than 10% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, Equity Shares will be allotted on a proportionate basis to Eligible Employees applying under the Employee Reservation Portion, subject to valid Bids received from them at or above the Offer Price (net of Employee Discount, if any). All potential Bidders (except Anchor Investors) are required to mandatorily utilise the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID (in case of RIBs) if applicable, in which the corresponding Bid Amounts will be blocked by the SCBS or under the UPI Mechanism, as applicable. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, see "Offer Procedure" on page 349 of the DRHP.

This public announcement is being made in compliance with the provisions of Regulation 26(2) of the SEBI ICDR Regulations to inform the public that our Bank is proposing, subject to applicable statutory and regulatory requirements, receipt of requisite approvals, market conditions and other considerations, to make an initial public offering of its Equity Shares pursuant to the Offer and has filed the DRHP with the Securities and Exchange Board of India ("SEBI") on May 9, 2021.

Pursuant to Regulation 26(1) of the SEBI ICDR Regulations, the DRHP filed with SEBI shall be made public for comments. If any, for a period of at least 21 days from the date of such filing by hosting it on the website of SEBI at www.sebi.gov.in, websites of the Stock Exchanges i.e. BSE and NSE at www.bseindia.com, www.nseindia.com, respectively and the websites of the Global Coordinators and Book Running Lead Managers ("GCBRLMs"), i.e. ICICI Securities Limited, Axis Capital Limited, IIFL Securities Limited, SBI Capital Markets Limited in the DRHP. The members of the public are requested to send a copy of the comments to SEBI, to the Company Secretary and Compliance Officer of our Bank and/or the Managers at their respective addresses mentioned herein below in relation to the Offer on or before 5.0

# Opinion

MONDAY, MAY 10, 2021



## COVID CARE &amp; DELHI

Delhi chief minister Arvind Kejriwal

Delhi's positivity rate has come down to 23% from 35%. We used the lockdown period to boost our medical infrastructure and to increase oxygen beds at various locations

## Free Covid-19 vaccine from the patent trap

The US does well to lend its weight to temporarily waiving off vaccine IPR, EU and other rich countries must join it

**W**I THOUT EQUITABLE ACCESS to Covid-19 vaccines, even those nations that have achieved wide vaccine coverage within their respective populations will continue to be at risk. SARS-CoV-2 variants that could render vaccines ineffective will mean rich nations getting caught in a vaccine-innovation/redundancy trap—large unvaccinated populations in poor nations make emergence of these like as circulating strains mutate in immuno-compromised hosts. So, the US joining the call at the WTO for waiving IPR protection for vaccines temporarily is without doubt a big fillip for vaccine equity. The US's decision comes after months of opposing this—the proposal, spearheaded by India and South Africa, was first mooted last year in October. By itself, this won't be enough to swing the WTO towards the waiver; a much wider consensus is needed given many rich nations and blocs oppose this, but this will undoubtedly have a salutary effect since the US has pumped large sums into deals with pharma giants for expedited vaccine research, development and commercial supply. Indeed, the EU, after the American decision, has indicated willingness to discuss the waiver again, if a concrete proposal is tabled, though there was enough caution also voiced on IPR waiver not being a "magic bullet" for vaccine equity. The US decision has also helped convince the Gates Foundation, one of the largest donors to the WHO-GAVI-CEPI initiative, Covax, that aims to give vaccine access to 92 low and middle income nations.

At present, of the 1.28 billion doses administered globally, 40% is accounted for by just five nations rich nations/blocs, including the US and the EU; bear in mind that this stems from the vaccine supply contracted in advance from top vaccine-makers—high income nations hold 4.7 billion of the 8.9 billion confirmed doses purchased globally, and low-income nations just 0.77 billion. As a result of this yawning disparity in access, as per the Bloomberg Vaccine Tracker, high-income countries are getting vaccinated nearly 25 times faster than low income ones. And, at the current pace of nearly 20 million doses administered a day (with the bulk of this happening in high-income nations that have a low overall share in the global population), inoculating the global population is going to take years. Meanwhile, the Covax pipeline—which has increasingly found its role as a supply window for rich nations to be at cross-purposes with its mission to provide vaccine access to the most economically vulnerable people in poor nations—has been suffering because of its reliance on supplies contracted from manufacturers in India. With the second surge in the country, and the clamp down on vaccine exports, Covax had shipped only 54 million doses in April (or less than a fourth of its target for the month). With G7 countries voicing willingness to share a large chunk of the surplus with them, some of the immediate inequity will hopefully get addressed.

For more sustained, widespread vaccine coverage, however, waiving IPR for a few years is an imperative. Some have argued that there may not be existing capacity in the developing world that can be diverted to vaccine-production so that supplies get ramped up at affordable costs. But, that isn't a big hurdle; as the example of the yellow-fever vaccine production facility in Senegal, or India's indigenous vaccine-producing capabilities show, this is not a big challenge. The WTO needs to move on this early so that vaccine production and supply is adequate to cater for the needs of all countries. It is important to keep in mind that "no one is safe till we all are safe".

## Be proactive, not reactive

*The Lancet* is right, fire-fighting isn't sound pandemic response

**S**TINGING REBUKES IN editorials such as *The Lancet*'s and recent court orders should have made it amply clear to the government—largely the Centre, but also states—that it lost the plot on Covid-19 after the September peak last year. A course correction hasn't yet been entirely forfeited. But that has to begin with an honest acknowledgment of how dire the situation in the country is right now; to that end, states must test more to catch cases that otherwise would have gone unreported, record Covid-19 deaths accurately; that is, they must maintain robust, real-time data. This needs to be followed with bolstering healthcare infrastructure and other capacity.

The complacency of both the government and the public soon after cases started dwindling November 2020 onward has resulted in daily new infections reaching 4 lakh now. A cocktail of people's Covid-fatigue (the massive Kumbh and election-rally attendances), emerging variants like the double-mutant, and policymakers and authorities misreading/ignoring warnings against dropping of guard—Union health minister Harsh Vardhan's 'India in the endgame of the pandemic', the Election Commission refusing to ban rallies till April 22—has ensured that healthcare in major cities is overwhelmed. Indeed, if a *Reuters* report has it right, the government even played down the threats from variants flagged by Insacog, even as Insacog was functioning well below its target. The shortage of oxygen, key drugs, personnel that showed up soon enough revealed how the momentum that had been noticed in the early days of the pandemic in the country had fizzled out soon after. There was palpable energy from the government and corporate/start-up India on manufacturing (and innovation) of a large array of healthcare products, from ventilators to oxygen generators, when the pandemic hit India and started spreading. But, as Srikant Sastri of I3G Advisory Network points out in an article in *The Times of India*, these products that we needed so badly in this second surge are simply not there! All that momentum got swept away by the tide of complacency that set in as soon there was a bit of a let-up in the situation; the fact that contracts, because of various conditions such as L-1, got awarded to companies that had no proven record of such manufacturing, didn't help either. As a result, India has had to reach out to other nations for aid to beat the shortages that have marked the second surge.

There is a crying need for proactive pandemic-response measures; a third wave can be better managed if the response is strategised now rather than mounted post facto. Sastri cites the example of Odisha's cyclone-management, that has relied on building key infrastructure, putting in place early warning systems, and community outreach. While recent government measures, like the incentive-scheme for medical device manufacturing and roping in of final-year nursing/medical students is expected to bring significant gains, a lot of other things need fixing, from a broken regulatory system to overcoming the L-1 addiction for public procurement, from protecting our scientific advisory bodies from political pressure to effective community mobilisation. Else, firefighting will remain the default response.

## OutOfControl

Nasa is right, space-faring nations will have to assume greater responsibility over the re-entry of their space objects

**C**HINA'S LONG MARCH fiasco—the Chinese space agency "lost control" of its largest rocket, the Long March 5B, and upon re-entry, the rocket burned up and fell as debris—has invited censure from the US's Nasa. While the rocket debris crashing into the sea somewhere near the Maldives archipelago means disaster was averted, the world had been watching with concern since it couldn't be predicted initially where the debris would land and whether it carried any threat to life and property.

The Nasa is right about space-faring nations' responsibility over debris—it has said, such nations "must minimize the risks to people and property on Earth of re-entries of space objects and maximize transparency regarding those operations" and that "China is failing to meet responsible standards regarding their space debris". This is not the first time that Chinese debris with potential to cause significant damage has made uncontrollable reentry—last year, an 18-tonne portion of another Long March 5B rocket crashed into the sea. While typically rocket debris is expected to break up into very small pieces or is dumped in the "graveyard orbits" where tonnes of space debris remain for decades and even centuries, Long March is designed to fragment in the low-Earth orbit, likely with a high propensity for re-entry. The Nasa doesn't exactly have a clean record given its own Skylab fell to Earth in 1979 and its Skylab rocket state in 1975. Salyut 7 (Russia) also fell to the Earth in 1991. But, spacefaring nations will have to be mindful of not just what comes down in uncontrolled reentry, but also what remains in space as junk.

NATIONAL LEADERSHIP HAS TO HAVE A WAR-ROOM, COMPRISING TOP MEDICAL EXPERTS, CORPORATE LEADERS, LOGISTICS PLAYERS, ETC, TO DELIVER AT THE LAST MILE

## Covid-19: What we must do now

**W**ITH COVID-19 INFECTIONS

touching new peaks at about 4 lakh per day and daily deaths at around 4,000, India seems to have landed itself right in the eye of the storm. With no more beds in hospitals and dire shortage of oxygen, and unending waits at the crematoriums and graveyards, panic in public is natural. But, unfortunately, the governments, both at the Centre and in most states, seemed to have lost control. While political rivals are busy blaming each other, many vultures are making money through black-marketing of oxygen and remdesivir injections, indicating a collapse of governance. Whether elections rallies triggered all this or kumbh celebrations with mass congregations can be settled later. The fact is who could judge in February-March of 2021 that a tsunami of Covid was ready to hit India. The accompanying graphic shows the total number of daily infections were continuously coming down since the peak of September 2020. That led to complacency, both at the government level as well as in the general public. Recall how thousands of farmers thronged Delhi borders in November-end 2020, and they were already protesting in large numbers in Punjab against the new farm laws. Nobody said at that time that they could be potential super-spreaders of Covid infections. In fact, several opposition parties supported and fanned that. Then came the New Year Eve, and

about 4.5 lakh people are reported to have visited Goa to celebrate. Many of them I know of came back infected. Still no one raised any red flags. Then came Makar Sankranti, Lohri, Pongal, etc, celebrations in mid-January, followed by Holi in March-end. While Maharashtra had started showing distress signals, but it was not as alarming in other states. Come April, and hell seems to have broken loose. And that's when politicians were busy with elections and Hindu saints in kumbh. Should there have been a nationwide lockdown at that time, as was done last year by the prime minister with four hours of notice on March 24, 2020? This will remain an open question for many to discuss and debate. But, now, when we are in the midst of this cyclonic storm, we have to do our best to save as many lives as possible by putting our shoulders to the wheel.

What can be done now? First and foremost is calming the panicked public. Our elected representatives need to be in their constituencies, calming and helping people, rather than hoing up in their comfy homes. National leadership has to have a war-room, comprising top medical experts, corporate

leaders that can ramp up the supplies of oxygen and necessary drugs, logistics players to deliver the last mile, etc. They need to address the nation at least twice a week and share the truth of the disease, the testing, the rate of infections and deaths taking place. People are losing trust in politicians and bureaucrats who are trying to hide the reality. We are losing more people to Covid than we have ever lost in any war. So, the response has to be as it is in times of war, as ICRER chairman Pramod Bhansali said in one of his latest interviews. If there is any consolation, it is that deaths in India per million population is still way behind Brazil, the UK, the US, France and even the world.

Nevertheless, given our sheer numbers, it is time for every one of us to put our shoulders to the wheel. Corporate sector has already come forward, diverting oxygen from steel and cement manufacturing to medical use. The government can take a step forward, saying that at least half of the CSR funds of the corporate sector be used for ramping up health infrastructure in the country for the next 2-3 years. RBI has come up with a loan package of ₹50,000 crore, which will

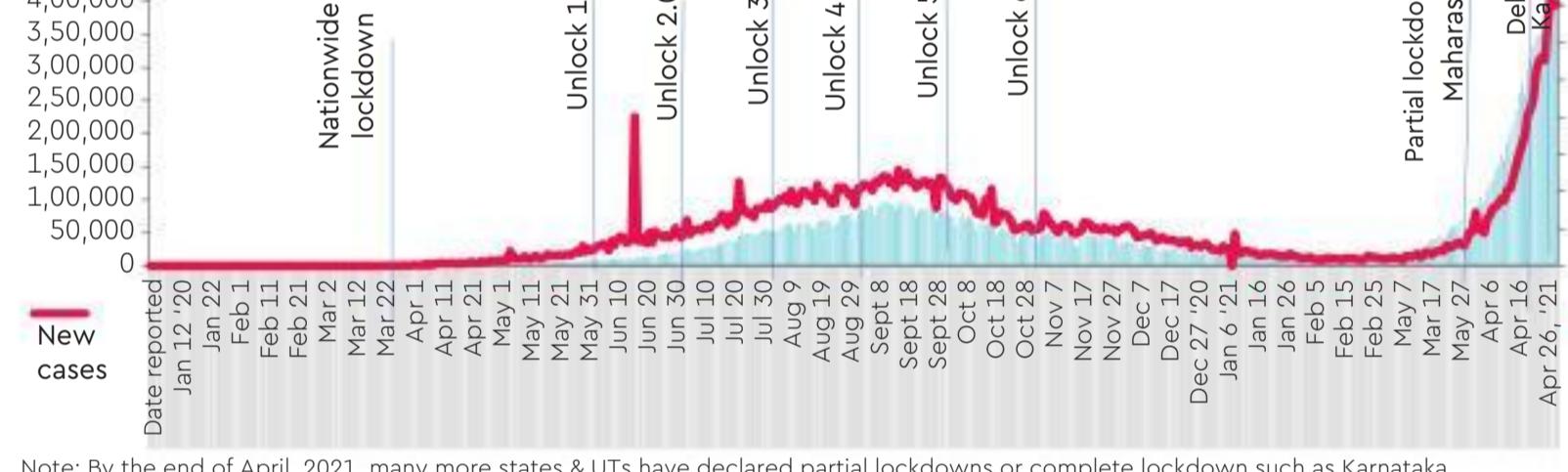
**ASHOK GULATI**

Infosys chair professor of agriculture, ICRER

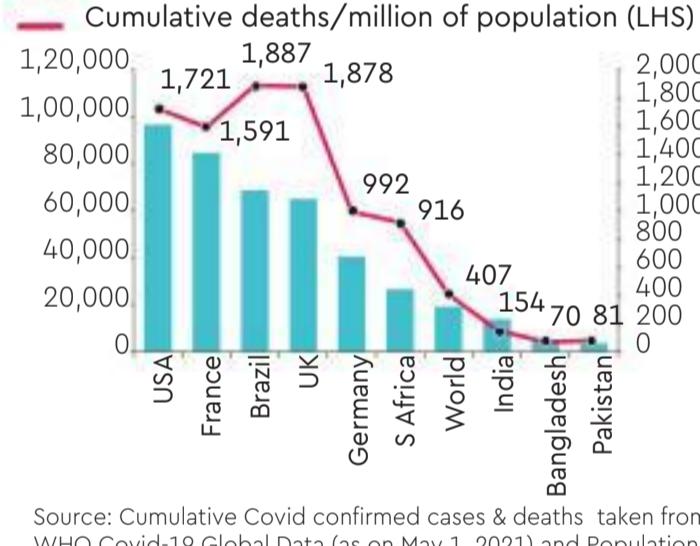


be treated as priority sector lending. Remember, Covid has now reached rural areas, where health facilities are very poor. The devastation in rural areas can be much more than in mega-cities like Mumbai, Delhi or Bengaluru. Can our corporate leaders adopt primary health centres (PHCs) in rural areas and in Tier II/III towns, pump in resources from CSR funds and bank loans, and upgrade health facilities? And state governments should allow them to have an equal say in managing these PHCs. Can social reformers, NGOs, religious leaders, and even medical students come forward with financial and physical help and also convince people that there is no alternative but to get vaccination as soon as possible. People in many rural areas that I know of still resist getting vaccinated. There is dearth of knowledge and trust. These corporate, social and religious leaders have ample experience in running their large businesses or managing their followers, running into lakhs and crores, and can come very handy in collating information, giving better medical advice, enabling vaccination and saving their lives and livelihoods. But government needs to provide a framework for their effective participation in this difficult hour. There is no dearth of good people and organisations in this country to contribute their bit, provided they trust that it will be used for the good of people. By joining hands, we can turn the tables quickly and this crisis can help India emerge stronger.

### India's Covid-19 new cases and new deaths



Note: By the end of April, 2021, many more states & UTs have declared partial lockdowns or complete lockdown such as Karnataka, Goa, UP, Haryana, Jharkhand, West Bengal, Puducherry, Odisha and J&K; Source: WHO COVID-19 Global data (as on May 1, 2021)



Source: Cumulative Covid confirmed cases & deaths taken from WHO Covid-19 Global Data (as on May 1, 2021) and Population projection of 2020 from World Population Prospect 2019

## Refined oil outsourcing on a new level

US and European dependence on oil product imports will become more acute as environmental rules at home make plants too expensive to upgrade or build

We've all gotten used to the idea that much of our clothing and electronic gadgets are made in far corners of the world, where labour is cheaper and regulation may be less onerous. What's less well-known is how dependent North America and Western Europe have become on foreign suppliers of the refined oil products on which we rely for much of our power, heat and fuel for our cars, trucks and airplanes. In the 40 years since 1980, refining capacity in the Asia Pacific region has risen by 23 million barrels a day, while rest of the world's ability to turn raw crude into the products we rely on has fallen.

China's refining capacity has nearly tripled in the past 20 years. It is set to overtake the US as the world's biggest crude processor this year, and it won't stop there. The Asian nation will add another 2.6 million barrels a day by 2025 to take its processing capacity to about 20 million barrels a day. India is also growing rapidly and its capacity could jump by more than half to 8 million barrels a day in the same time.

That's in part explained by the fact that oil demand has been growing far faster in Asia than anywhere else. It's understandable the industrialising nations of the east would want to bring oil processing onshore, even if they're still reliant on producers elsewhere to deliver the crude that's helped power their expansion.

But recently there's been a big, and largely unnoticed, shift. Those new refineries in Asia, and increasingly in the Middle East, are no longer only sup-

plying local markets. They are starting to export increasing volumes of refined products to other markets.

Refineries in five countries—China, India, Saudi Arabia, Malaysia and, most recently, Brunei—have seen their combined share of global refined products exports almost double in the past decade, according to data from the Joint Organisations Data Initiative. True, those figures aren't complete. But the most obvious country missing, the United Arab Emirates, would probably add to the weight of these new refineries.

While most of the exports from China's refineries remain in Asia, the same is not true for plants in India or the Middle East. As my Bloomberg News colleague Jack Wittels noted, the flow of clean petroleum products (mostly diesel, jet fuel and gasoline) from India to Europe hit a 13-month high in April as oil demand started recovering. Arrivals from the Middle East also rose sharply.

The biggest oil consumers in Europe—Germany, the UK and France, which each consume more than 1.5 million barrels a day of oil—have all been short of the refining capacity needed to meet demand for almost a decade. For Germany, it's been much longer.

The US is almost as dependent, regardless of successive shale booms that have boosted domestic crude production. The country has imported more than 2 million barrels a day of refined products over the past year. One foreign supplier sticks out—Russia—the second-largest shipper of oil products to the US after Canada, according to the

Financial Express

department of energy.

While US refining capacity has risen steadily since the late 1990s, it hasn't kept pace with the increase in oil demand. Only the successive slumps in consumption, sparked by the 2008 financial crash and Covid-19 pandemic have brought the country anywhere close to meeting its needs.

The situation is only likely to get more pronounced as new oil refineries come into operation in Asia and the Middle East. Saudi Arabia's new 400,000-barrel-a-day Jazan refinery is expected to start commercial operations next month. Neighboring Kuwait is expected to commence processing at its 615,000-barrel-a-day Al Zour plant later this year.

There's unlikely to be investment in new refineries in Europe or the US amid the shift away from fossil fuels. Tighter environmental restrictions on operations in these regions will make it increasingly expensive for foreign companies to meet limits on carbon emissions or other benchmarks. Several plants have already stopped processing crude, some to be reconfigured as biofuels plants, others to become storage terminals.

The outsourcing of manufacturing has led to job losses that have fueled voter anger and populist sentiment over the years. Outsourcing fuel production may be less visible, but it could bring similar backlash if we ever find ourselves short of the fuels we need to maintain our lifestyles.

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

## LETTERS TO THE EDITOR

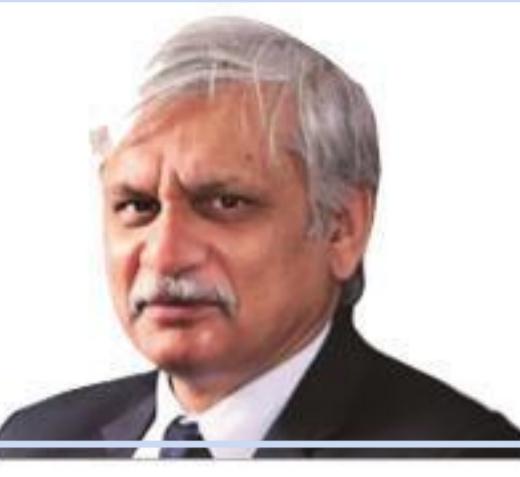
### The catastrophic second surge

The Covid-19 pandemic has an immeasurably more serious and catastrophic effect on our lives than can be captured in words. Suffering and grief engendered by the scourge define the times. Everyone experiences the miseries of Covid-19 as a lived reality. Hospitals, crematoriums and burial grounds give us glimpses of the unfathomable scale of the calamity. The human condition becomes identified with the uncertainty of life. The fact that anyone can contract the disease and succumb to it has made us acutely aware of our own mortality. The vanity of human ambition in the face of death has become starker. We suffer from the pandemic disease and the existential pain it entails. Mathematical modellings make projections of 'peaks and troughs'. Still as of now there is no let-up in the spread of Covid-19. The way things are, there is little chance of a quick end to the pandemic. It is sobering to realize that India is becoming the pandemic capital of the world. It is very depressing that the pandemic's death toll in India is forecast by the Institute of Health Metrics and Evaluation to reach one million by August 1. Evidently the lack of health facilities has tragic consequences for the Covid-19 patients. The government cannot escape accountability by trotting out excuses for the worsening health and humanitarian crisis. The inept handling of the pandemic by the Modi government has come in for trenchant criticism from The Lancet and the Indian Medical Association.— G David Milton, Maruthancode

Write to us at feletters@expressindia.com

# Education

MONDAY, MAY 10, 2021



**NEED JUST AND FAIR MANAGERS**  
Prof Errol D'Souza, Director, IIM Ahmedabad  
Doing what is fair is often in conflict with showing loyalty and good citizenship behaviour in organisations that the students will work in. However, in a VUCA world, we require people who are just and fair. (During IIM Ahmedabad's 56th Convocation held on May 8.)

## SOCIAL, EMOTIONAL AND ETHICAL (SEE) LEARNING

# We need to SEE beyond STEM learning

While STEM learning is important, we cannot code for emotions. That's why students, and teachers, also need to be trained in social, emotional and ethical (SEE) learning

VIKRAM CHAUDHARY

**ALFIYA SHAIKH** is a Grade 9 student at the Matoshri English Medium School, Pune (run by the Akanksa Education Fund). She used to get irritated frequently, even over trivial things. Today, she has learnt how to manage her anger, cope with difficult emotions, and also channel her anxiety in productive ways.

Sakib Sayyed is a Grade 10 student from Acharya Vinoba Bhave Municipal School, Pune. Once he used to be a restless child, but today he actively participates in classroom discussions.

Like Alfiya and Sakib, 9,800 students have experienced this transformation, which, Akanksa Fund says, is because they were exposed to Social, Emotional and Ethical (SEE) Learning.

What is SEE Learning?

SEE Learning is a tool aimed at providing socio-emotional support, while honing fundamental skills, developed by



We wish to integrate SEE Learning into the school culture, so that it becomes a compassionate culture.

— TARA SINGH VACHANI



Emory University in partnership with the Dalai Lama Trust. Currently, all 21 Akanksa schools employ SEE practices as part of their timetable (these include quality circle time for students, check-in/grounding/mindfulness activities before the class each day, and yoga and meditation).

Curated by His Holiness the Dalai Lama, SEE Learning provides educators with the tools they need to foster the development of emotional, social and ethical intelligence for students, as well as for themselves. Emory University, US, has provided this curriculum the shape, form, research and science backing.

In April 2019, the Vana Foundation

(founded by Veer Singh, brother of Tara Singh Vachani, the managing trustee of Max India Foundation) partnered with the office of His Holiness and Emory University for the international launch of the SEE Learning curriculum in India. A few months after that, Max India Foundation incorporated it as a programme, and since then Max India Foundation's funds are supporting SEE Learning India.

"Since the time we officially launched,

we have worked with over 500 educators, training them (and this is a very deep and immersive training), and have touched over 40 schools including civil society organisations who have a further reach, and indirectly we have touched around 40,000 children," says Vachani. "Over the last couple of months, we have worked with more than 200 educators."

"Covid-19 has made us relook at the way we teach our next generation, and



STEM learning is important, but we cannot code for emotions. We need SEE Learning for our students.

— RESHMA PIRAMAL

reimagine the whole education landscape. While education is about economic empowerment, it is also about human flourishing," adds Reshma Piramal, head, Operations, South, SEE Learning India.

How does SEE Learning work?

A school or an NGO can choose one or few educators to get trained for SEE Learning. Once they do so, that educator undergoes a customised orientation for four days. Post that, the educator can commit himself/herself to the L1 track (hours and weeks of exposure to the curriculum). It is only after the L1 track that the educator is in a position to take the curriculum to stu-

dents. If an educator wants to train other facilitators, he/she has to complete the next level (L2). "In this track we offer the CBC (cognitively-based compassion training) module, which is a mix of theory, research and ideology," adds Vachani.

SEE Learning India is in the process of compiling a detailed research, and Vachani says that in a year from now, with enough data inputs in place, they would be able to share the impact this curriculum has had on teacher, schools and students.

SEE Learning and moral science

The moral science subject, taught across schools in India, can be preachy (what to do and what not to do), but SEE Learning is not only about morality, it is also about ethics. "We are talking about the ethics of compassion at SEE Learning. While we spend time educating the mind, we don't spend enough time educating the heart; kindness in itself may not enough, we need kindness with wisdom," says Vachani. "We wish to integrate SEE Learning into the school culture, and not just curriculum, so that the culture becomes a compassionate culture."

She adds that some of the schools that have taken SEE Learning for over a year have seen teachers positively sharing how this has transformed their lives, and students asking for more SEE Learning.

The end-goal

Vachani says currently there is no long-term plan on SEE Learning. "Our immediate focus is to facilitate as many people as we can." Piramal adds: "While STEM (science, technology, engineering and mathematics) learning is important, we cannot code for emotions. That's why the new generation of students, as well as teachers, need SEE Learning."

## SIS trains almost its entire staff via M-Trainer



VIKRAM CHAUDHARY

USING ITS M-TRAINER platform, the Security and Intelligence Services (SIS)—India's biggest player in physical security, and second biggest in the area of cash logistics and facility management—has trained almost its entire security staff on pandemic-related operations.

Rituraj Kishore Sinha, group MD, SIS, said the M-Trainer provides digital training to the staff, primarily via smartphones. "The M-Trainer uses short videos and then a questionnaire on a mobile app. In addition, we constantly provide behavioural training, how to file reports, and so on."

SIS had started the M-Trainer platform last year when the first Covid-19 lockdown was announced and the private security industry was declared as 'essential services' by the home ministry—on March 24, 2020. "We knew our manpower would need to work through the lockdown, so the first thing we did was to educate them on how to stay safe. Immediately after the first lockdown, we started what we call the SIS Circle of Safety, where we did customised training including visitor management system, antimicrobial treatment, Covid-19 compliance, vehicle disinfection, etc," Sinha said.

While more than 80% of the SIS staff has access to a smartphone, which allows ready access to the M-Trainer, others who don't have smartphones were provided training by mobile training vans.

A year hence, this training has continued. Sinha said that during the current second wave this training has assumed greater importance. "Now, the training content changes every week... we are running campaigns, not just alerting our staff on the second wave, but are also training them on how to detect low oxygen levels for anybody, how to organise basic support in case somebody needs it in emergency, and so on. Right now, the training is happening on a live basis. Whatever needs to be taught to our staff is being pushed on via the digital platform," he said.

SIS currently employs 2.2 lakh security guards deployed across India. Of these, 1.55 lakh are in private security, 55,000 in facility management, and 10,000 in cash logistics (SIS is also present in Singapore, Australia and New Zealand, where it employs another 10,000 people).

All the content that has gotten created during this emergency period for existing security guards has also flown into the company's regular induction training programmes, at its 20 residential training academies in 14 states, added Sinha.

During the last financial year (FY21), SIS had trained around 48,000 people at its residential training academies.

## Science & tech

### Vaccine IPR waivers needed now



The U.S.-backed effort to waive patent protection for Covid-19 vaccines, even if successful, is unlikely to narrow a yawning gap in access to life-saving shots anytime soon

JAMES PATON AND TIM LOH

THE U.S.-BACKED effort to waive patent protection for Covid-19 vaccines, even if successful, is unlikely to narrow a yawning gap in access to life-saving shots anytime soon.

The proposal faces weeks of difficult negotiations and intense pushback from the pharmaceutical industry. And if it were approved at the World Trade Organization, it could take a year or more to meaningfully increase supplies, vaccine specialists said.

"The short answer is no, it's not going to make any big difference," said Klaus Stohr, a former World Health Organization official who helped mobilize governments and drugmakers to prepare for pandemics. "Patents are not the real hurdle. It's the understanding of complex technology."

The Biden administration won plaudits from health advocacy groups for backing what they describe as an important step toward achieving equitable access to vaccines, which are still scarce in much of the world, and the European Union and China signaled willingness to take part in the debate. However, German Chancellor Angela Merkel appears opposed to the proposal.

"The limiting factor for the production of vaccines are manufacturing capacities and high quality standards, not the patents," a German government spokesman said in an email.

Even if companies diverted resources and know-how in a "full-blown technology transfer," it wouldn't make a difference before the middle of 2022, said Stohr, also a former executive at drugmaker Novartis AG. In the meantime, the virus continues to rage in many regions, including India, an important producer nation. Countries with ample supplies could help more quickly by committing to increased exports and publishing when and how much they can share, he said.

To boost production, the priorities should be addressing a lack of key materials and components needed to make vaccines, adding manufacturing lines and, if possible, more sharing of expertise to support technology transfers, said Rajeev Venkayya, president of Takeda Pharmaceutical Co.'s vaccines business.

"It's important for the world to be focused on the more complex issues of scaling up manufacturing rather than spending time on patents," said Venkayya, who worked in the George W. Bush administration to develop a U.S. pandemic flu

plan.

Despite understandable concerns about how the use of intellectual property in the past has restricted access to important medicines, "we absolutely would not have the innovation that has resulted in vaccines being available to the entire American population" without the patent system, he said.

Relaxing IP restrictions would certainly help over the long term, but many nations need vaccines now, said Lawrence Gostin, director of the O'Neill Institute for National and Global Health Law at Georgetown. Countries should be given both immediate supplies and the ability to manufacture what the patent waiver would provide, he said.

"There's more than a touch of hypocrisy in what the U.S. is doing," he said. "It's been the world's No. 1 hoarder of vaccines, and the country that's most gotten in the way of equitable vaccine rollout globally."

While the industry has excelled in getting safe and effective Covid vaccines approved swiftly, much of that achievement owes a debt to decades of public funding for basic science, such as messenger RNA technology, that made the vaccines possible, said Stefan Swartling Peterson, a professor at the Karolinska Institute in Sweden. Companies can still be richly rewarded for their products, but the crisis calls for measures such as sharing patents and helping countries make vaccines, he said.

"We have an emergency situation," he said. "If not now, when?"

I have a hard time accepting that countries like India, Brazil, and South Africa, and others should not be able to do this if they could get access," he said, citing India's Serum Institute as an example of the countries' companies successfully

making complex products.

Many low-income countries have only a tiny fraction of global supplies, while the U.S. has secured enough doses to protect its entire population and still has hundreds of millions of surplus vaccines left over, according to Doctors Without Borders. The group supported the U.S. decision, and said it expects the proposal to increase access to these life-saving medical tools.

Still, the industry has predictably pushed back hard.

The waiver would fail to increase global capacity to manufacture Covid-19 vaccines while discouraging companies from continuing research to tackle variants and coming up with novel treatments and vaccines to fight Covid, according to Nathalie Moll, director general of the European Federation of Pharmaceutical Industries and Associations trade group.

Such a step increases the risk that materials and supplies will be diverted from established supply chains to less efficient manufacturing sites where productivity and quality could pose a problem, she wrote in a statement. Boosting capacity to deliver doses all over the world meanwhile requires the skill and technical know-how of vaccine developers, she said.

Just training the engineers at other companies would take three to six months, Pascal Soriot, the chief executive officer of AstraZeneca Plc, said at a shareholder event last week. Novartis, the Swiss pharmaceutical giant, is helping to produce vaccines for BioNTech SE and CureVac NV in a process that takes about seven or eight months from the start of discussions.

"I worry it's going to create a tremendous disincentive in the future for small biotechs and startups to work on these technologies for the next pandemic," Novartis CEO Vas Narasimhan said at an event last Friday. "I don't believe it will

make a difference in this pandemic."

The effort instead should shift to sharing excess doses, ensuring the free movement of vaccine ingredients and funding Covax, the global program set up to distribute shots equitably all over the planet, according to the U.K.'s pharmaceutical industry group.

The Coalition for Epidemic Preparedness Innovations, which has worked to accelerate development of Covid vaccines, backs the U.S. commitment to increase production of raw materials and is pushing for all countries to share doses with Covax, Chief Executive Officer Richard Hatchett wrote in an email.

Negotiations over intellectual property will likely drag on, but action is needed today given "the urgency of the crisis in countries such as India, Nepal and Brazil, you name it," said Ellen 't Hoen, director of Medicines Law & Policy, a research group based in the Netherlands.

She said she hopes that pharmaceutical companies will look at participating in the WHO's Covid technology access pool. The program was set up about a year ago to offer a platform to share IP, knowledge and data with the "understanding that just having access to patents is not enough." However, companies so far haven't agreed to join, she said.

Such delays could set back the entire pandemic effort, said Krishna Udayakumar, the founding director of the Duke Global Health Innovation Center, in a briefing last Thursday.

Focusing on patent rights actually making us complacent and moving more of our energy and time to negotiating this agreement," he said, "which could be better spent making sure that we're taking a comprehensive approach."

—Bloomberg

FE BUREAU

**FLIPLEARN EDGE**, THE learning platform for schools that was launched just before the first Covid-19 lockdown in 2020, has announced an ambitious plan to enrol 50 lakh students and 5,000 schools across India by March 2025.

The start-up also puts plans into action to serve 5,000 schools by March 2025



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F BUREAU

**BOLD STEP**

Brad Smith, president, Microsoft

People with disabilities represent one of the world's largest untapped talent pools; we all need to act with bolder ambition to empower disabled talent to achieve more.

*Being an Intelligent Enterprise has never been more significant and meaningful. According to Sindhoo Gangadharan, senior vice-president & managing director, SAP Labs India, digital disruption is happening everywhere – and changing everything. The Covid-19 pandemic has hugely altered the business landscape and pushed the need for companies to go digital. "The new ways of working will give a chance to reimagine the nature of work, workforce, and workplace," she tells Sudhir Chowdhary in a recent interview. Excerpts:*

What is your outlook for SAP Labs India in 2021?

Year 2020 was challenging for everyone across the globe. We, at SAP, are proud that we successfully navigated the challenging environment and demonstrated our agility. SAP SE had a solid finish to 2020. We grew our top line while expanding operating profit and margins. Specific to 2021, when I took over as MD of SAP Labs India in the second half of 2019, I had set a four-point goal. To make Labs India location the most innovative place in the SAP Universe, focused on customer centricity, where thought leadership flourishes and employees work in a highly diverse and inclusive environment. Since then, we have made significant progress towards our goal.

We contribute to SAP's success through emerging transformative technologies from our Innovation Centre Network and SAP Startup Studio. Set up in 2016, this first in-house startup accelerator programme of SAP offers support to the onboarded startups through guidance, deep dive, and technology mentoring on SAP technologies.

Which skills are you building internally at SAP Labs to keep the innovation engine moving?

**INTERVIEW: SINDHU GANGADHARAN,**  
Senior Vice President & Managing Director, SAP Labs India

# Innovation is much more than a competitive advantage

People-focused companies have a better chance of surviving during times of crisis. A company that invests in employee wellness, diversity, and inclusion, tends to innovate more

nurture a successful startup. We have created a learning and enablement programme to educate our large army of young engineers on next generation technologies. We also provide them with detailed hands-on experience on technology and business processes to reimagine customer use-cases and solve them with innovative ideas.

Last year when we shifted to work from home, we announced a new digital learning initiative that offers innovative and interactive educational content to support students, professionals and anyone wishing to continue to learn during the lockdown. This dynamic initiative is based on three educational pillars—massive open online courses, teaching journeys for universities and the SAP Young Thinkers programme. All the offerings are accessible through the openSAP platform, our most popular online learning initiative.

Our inclusive culture and focus on collaborative learning ensure that our employees are ready to face the current and future challenges in the technology landscape. Our innovation engine needs to be running to help our customers and attract top talent. We ensure that employees have an opportunity to keep innovating and support them to acquire the needed skills to keep pace with the fast-changing technology landscape.

Our flagship internal initiative called Innovation and Venture Challenge (InnVent) challenges our employees to innovate under four buckets: Customer, Venture, Social and Operational, and trains them to build and



Digital transformation is a top priority now for many companies. How are you helping customers here?

For CEOs, digital transformation is a top priority as they understand that integrating intelligent technologies into all areas of their business leads to enhanced performance and business processes. CEOs are also cognizant that for their business to be resilient in the ever-changing global environment, becoming an intelligent enterprise is an urgent imperative. However, many companies struggle to transform themselves into a digital enterprise holistically. They also realise that digital transformation cannot happen just by migrating to the cloud or investing in new technologies. They are beginning to understand the need to transform their business models and adopt an intelligent process to innovate and stay ahead of the curve. Therefore, we recently launched RISE with SAP – a business transformation platform that gives customers all the needed services and software components to become an intelligent enterprise.

As a leader representing one of the large MNCs in India, what do you think organisations should focus their energies on—people, processes, or innovation?

In my opinion, people, process, and innovation are equally important for an organisation to succeed. However, people-focused companies have a better chance of surviving during times of crisis. A company that invests in employee wellness, diversity, and inclusion, tends to innovate more. In the present times, where companies are digitally transforming themselves, innovation is much more than a competitive advantage. Many companies that I have come across are embedding innovation into their processes and in their ways of thinking.

**COVID & JOBS**

# How can the digital domain take a lead?

Segments centred around digital technology seem to have a huge appetite for talent infusion

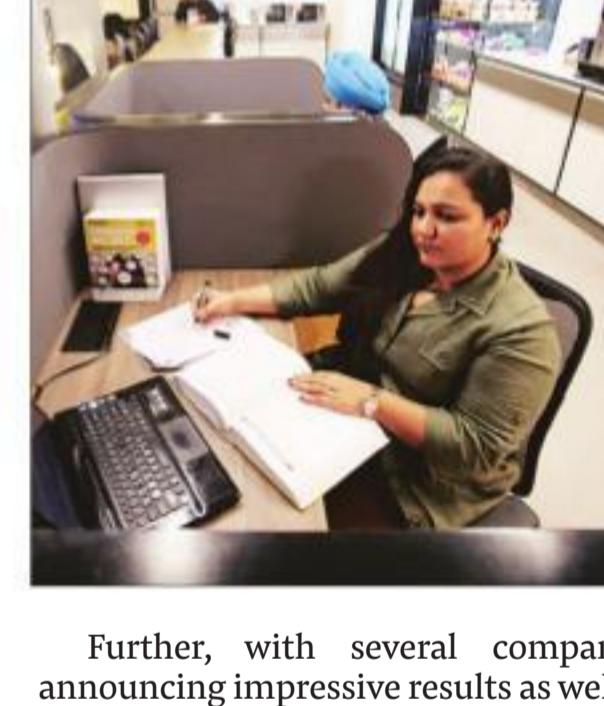


Uma Ganesh

**THE COVID-19 PANDEMIC** has significantly impacted the employment generation capability of the economy. The monthly unemployment rate stood at a staggering 23.52% as per CMIE's data in April 2021 with the spurt in the unemployment rate being high both in rural and urban areas – 7.13% and 9.78% respectively resulting in 7 million more people becoming unemployed since the start of Covid II phase.

In the near term and medium term, majority of the country's reserves and investment potential would be mostly directed towards life saving requirements in the healthcare segment. Until a sizeable part of the population is vaccinated and the country is protected against further ravages of the pandemic, both domestic and external investment are going to be muted awaiting the green shoots on the horizon. Hence the big question for a country which enjoys the most demographic dividend in the world with more than 54% of the total population below 25 years of age is how jobs can be created amidst this grim scenario.

Currently the segments that seem to have a huge appetite for talent infusion seem to be those which are centered around digital technology – in IT/ITES services, e-commerce, fintech and other digitally enabled businesses. Post Covid, with most businesses going digital all over the world, global companies are even more looking to India for their digital needs. Tech businesses are experiencing high attrition rates of 10-15% and according to a Michael Page 2021 report, 77% of technology professionals will voluntarily leave their current jobs and look for new ones in 2021.



Further, with several companies announcing impressive results as well as forecasting tremendous uptake in the demand for their services, the scarce supply of talent in the market is forcing them to explore new avenues for talent.

In order to capitalise on this opportunity, firstly digital skill building has to become the focus for every state. Given that remote working and gig workforce have come to be accepted as the new phenomenon of employment, those with the right digital skill sets would be in a position to take advantage of such opportunities. Companies focused on achieving diversity in their workforce are keen to go beyond their physical locations in large cities to small towns thus enabling them to expand their talent pool by also hiring competent women who could work from home.

Thus the combination of expanding the talent pool and achieving a possible cost advantage could throw up new business models of business, work and employment options. Telecom companies, educational institutions and property owners which hitherto were merely providers of service or assets to IT/ITES companies could now consider creating countrywide distributed workplaces thus enabling millions of people to work from home or from compact workspaces thus providing alternate models for servicing global customers. The foundation of such a model rests in skilling for different technologies and domains and building the hub and spoke linkages with the nearest location with large scale operation for expertise, processes and quality supervision. Instead of seeking permanent employment opportunities with well-known brands, the youth need to plan for regular upskilling to remain valuable as gig employees. Reverse migration due to lockdown could thus become a boon to those who could tap into this talent pool to build new models of operations that are sustainable in the long run.

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

## Tech Bytes



Thierry Delaporte, CEO &amp; MD, Wipro

### Wipro opens Innovation Centre in London

IT SERVICES FIRM Wipro has announced the setting up of an Innovation Centre in Holborn, London. Thierry Delaporte, CEO & MD, Wipro said, "This enhances our already powerful presence in the region across 10 offices and over 4,000 employees and will act as an important engine in our drive to boost digital transformation in Europe. The pandemic has disrupted lives and businesses everywhere. There is a positive role for technology to play as we rebuild." Wipro will invest £16 million over the next four years in the Innovation Centre which will serve as Wipro's flagship centre in the United Kingdom and offer technology expertise to companies in the UK and globally. It will be integral to providing advanced digital, cyber security and cloud expertise to both established and upcoming enterprises, taking the lead on digital transformation in one of Europe's biggest technology markets. Wipro has hired over 500 new employees in the UK in the past 12 months and, with the announcement of the Innovation Centre, expects its talent base to increase further over the coming years.

### IBM develops 2 nm chip technology

IBM HAS UNVEILED a breakthrough in semiconductor design and process with the development of the world's first chip announced with 2 nanometer (nm) nanosheet technology. Demand for increased chip performance and energy efficiency continues to rise in the era of hybrid cloud, AI, and the Internet of Things. IBM's new 2 nm chip technology helps advance the state-of-the-art in the semiconductor industry, addressing this growing demand. It is projected to achieve 45% higher performance, or 75% lower energy use, than today's most advanced 7 nm node chips. The potential benefits of these advanced 2 nm chips could include:

■ Quadrupling cell phone battery life, only requiring users to charge their devices every four days

■ Slashing carbon footprint of data centres, changing all their servers to 2 nm-based processors could reduce carbon footprint significantly

■ Drastically speeding up a laptop's functions, ranging from quicker processing in applications, to assisting in language translation more easily, to faster internet access

■ Contributing to faster object detection and reaction time in autonomous vehicles.

## Gadgets

### INFINIX HOT 10 PLAY

# A good balance of price and performance

Hot 10 Play stands out for its big display, decent cameras and long-lasting battery life

SUDHIR CHOWDHARY

FOUNDED IN 2013, Infinix is a brand from Transsion Holdings that has steadily carved a place for itself in India's mobile phone market. From launching well-rounded, well-priced devices—big display, fast processor, great cameras, everything well within the price range of mid-range buyers—this handset major seems to be doing a lot of things right. In the recent past, we have reviewed a couple of its devices from the Smart and Hot series; it's time now to look at its new introduction—Hot 10 Play.

Infinix Hot 10 Play comes with an attractive price tag of ₹8,499. It is powered by a fairly large battery, good processor, superlative camera, big display, and more. The phone has a 6.82-inch HD+ drop notch display along with DTS Surround Sound for a good immersive video viewing experience. It has a narrow bezel and a screen-to-body ratio of 90.66% which means that you get a large display area. The 20:9 aspect ratio helps provide a better viewing experience by making it easy to operate with one hand. The 440 nits of brightness help provide a crystal-clear viewing experience, irrespective of whether you are indoors or outdoors.

Designed to give a modern-day look,



### SPECIFICATIONS

- Dimensions: 77.96 x 171.82 x 8.9mm, 207g weight
- Display: 17.32 cm (6.82 inch) HD+ Display
- Processor: MediaTek Helio G35 processor
- Operating system: Android 10
- Camera: 13MP + Depth Sensor, 8MP Front Camera
- Memory & storage: 4GB RAM, 64GB ROM (expandable upto 256GB)
- Battery: 6000 mAh Li-ion Polymer battery
- Estimated street price: ₹8,499

wrist always has your back 24x7. It constantly tracks your sleep patterns, heart rate, blood oxygen (SpO2), calories, step count and sedentary reminder. You can even set water drinking reminders for a healthier lifestyle. The unique breath mode also reminds and helps you relax after long hours of work.

The W11 has a large 1.4-inch super retina full touchscreen with a screen to body ratio of 93%. You can give your style a boost with the 4.0D curved screen crafted in an ultra thin Zinc-Magnesium Alloy case. The skin friendly food-grade silicone strap is made to prioritise your comfort. The many watch faces are made to suit the environment you are going in. Give yourself a sporty look during your workouts and boost your personality with a premium appeal in meetings. The 1.4-inch display in 320 x 320 resolutions is able to adapt to your surroundings delivering natural colours which look as sharp whether you are in the dark or out-

side in bright sunlight.

You can keep your hands free from your phone by completing most of your tasks from your wrist. For instance, you can control music or camera, get weather reports, read messages and notifications. It even helps you find your phone when



This variant of the Hot 10 Play offers 4GB of RAM and up to 64GB internal storage which can be further expanded via the dedicated SD card slot. The phone has Dual 4G SIM slots and supports dual VoLTE. The processor also enables the phone to support Bluetooth v5.0 that offers extended wireless connectivity. It also supports VoWi-Fi that enables users to make calls over wireless networks.

The AI-powered rear camera of this Infinix phone features a 13 MP primary lens, with a Quad-LED flash, to help improve the clarity of images that are captured in low-light surroundings. The camera supports Full HD video recording, slo-mo recording, and is also programmed to automatically recognise up to nine different outdoor scenarios with the help of Auto Scene detection. The AI contributes towards improving captured images with the help of AI HDR and AI 3D Beauty.

You can click good selfies with the help of the AI-powered 8 MP front camera that is supported by a dedicated LED flash. The front camera supports a 3D Face Beauty mode where AI helps enhance the facial features. It also offers a portrait mode for individual photographs and a wide selfie mode for group photographs.

Hot 10 Play will easily meet the needs of power-hungry users, thanks to its 6000 mAh battery with 55 days of standby time and a power marathon feature, which further increases battery life by 25%. Overall, this Infinix creation has nice and sturdy design, slick software, decent camera performance and good all-around performance, making it an attractive proposition in the mid-range segment.

you have misplaced it in the room. You can take your watch where you go, even for a swim. With IP68 certification for up to 5ATM, you can keep your watch on to track your swim with utmost accuracy and not worry about sweat or splashes damaging your watch.

AQFIT takes your sports seriously too. Its 15 activity modes read different signals depending on the activity and deliver highly accurate readings and performance results as appropriate for that particular activity. Whether it's running, walking, hiking, biking, yoga, swimming or just outdoor sports such as football and badminton, W11 has you covered.

At the heart of the W11 is the latest Nordic chipset NFR52832 supported with ST LIS2DH12TR sensor. Known for delivering 40% higher efficiencies consuming 50% less power, it is part of the reason how the battery is able to pack so much power in such a slim design. With 8-10 days under regular usage and a staggering 60 days of standby time in a single charge, this watch stands out.

Overall, a good pick for the health-conscious lot.

■ Estimated street price: ₹2,799

### Stay fit at all times

W11 smart watch comes in an attractive design, has 15 different sports modes and a number of health tracking features

SUDHIR CHOWDHARY

INDIA CONTINUES ITS fight against the deadly Covid-19 second wave even as the healthcare system struggles with the overwhelming surge of cases in the past few weeks. No wonder, a healthier lifestyle is on top of the mind of most people. A trendy wrist wear from AQFIT can be a good health accessory during these pandemic times. We are talking about the W11 Fitness Smart Watch, an elegant piece of wearable that comes with a lot of health-specific features to aid you in your physical activity.

Priced at ₹2,799, AQFIT W11 on your

side in bright sunlight.

You can keep your hands free from your phone by completing most of your tasks from your wrist. For instance, you can control music or camera, get weather reports, read messages and notifications. It even helps you find your phone when

you have misplaced it in the room. You can take your watch where you go, even for a swim. With IP68 certification for up to 5ATM, you can keep your watch on to track your swim with utmost accuracy and not worry about sweat or splashes damaging your watch.

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# Investor

MONDAY, MAY 10, 2021

## EXPERTVIEW

FY22E can be the defining year for Tata Steel when ND/EBITDA approaches 1x before normalising to 2-2.5x. With near zero loss probability through cycle now, one can make an argument for expanding multiples

—ICICI Securities



## TATA STEEL RATING: HOLD

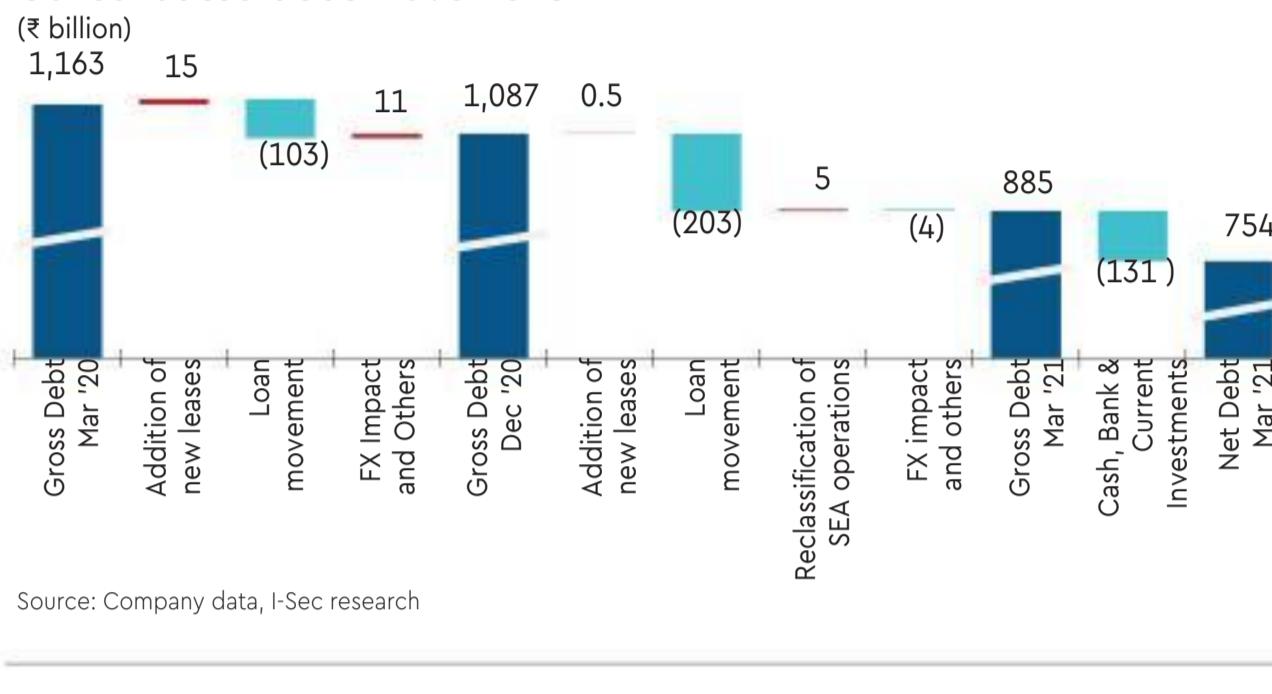
# Deleveraging key highlight of results

With reduced loss probability, rise in valuation band only a matter of time; 'Hold' retained with revised TP of ₹1,020

**DELEVERAGING** (₹110 BN in Q4FY21) aided by ₹32.4 bn of net proceeds from partly paid shares was the key highlight of Tata Steel Q4FY21 results. FY21e witnessed ~₹200-bn net debt reduction. Adjusted consolidated Ebitda of ₹139.3 bn was largely in line, with ~₹3 bn from Tata Steel South East Asia which has been reclassified to "Continuing operations"

from "Held for sale". Standalone Ebitda print surprised at ₹27,828/te against ₹26,500/te expected, while Tata Steel Europe (TSE) reported an in-line ₹66/te of Ebitda.

Mgmt has maintained its net debt reduction guidance of \$1 bn + for FY22e. This appears a bit conservative given the MTM earnings and despite accelerated



Source: Company data, I-Sec research

capex. The extent of deleveraging is creating an upward bias for multiples for the entire sector, given significantly reduced loss probability. We maintain Hold with a revised target of ~₹1,020/share at 0.9x FY23E P/B – with significantly reduced loss probability, the increase in valuation

band is only a matter of time in our view. **Maintain HOLD:** Spot Ebitda at ₹38,000/te remains a key concern, especially when cycle duration has shrunk. Net pre export advances was largely flat q-o-q at ₹62.3 bn. While capex is expected to pick up, we expect a possible deleveraging

of ~₹300 bn+ in FY22e – FY22e can be the defining year where ND/Ebitda approaches 1x before normalising to 2-2.5x. With near zero loss probability through cycle now, one can make an argument for expanding multiples.

**Indian operations reported a better than expected print:** Tata Steel India standalone adjusted Ebitda came in at ₹92 bn (+37% q-o-q, +151% y-o-y), ahead of I-Sec estimate of ~₹87 bn. Ebitda increased by ~₹7,800/te q-o-q to reach ~₹28,000/te. Q4FY21 delivery volume increased 16% y-o-y as domestic deliveries increased 22% y-o-y; exports were at 11% of overall deliveries. Auto volumes increased 13% q-o-q. This helped realisations. Higher exports and lower auto volumes will define Q1FY22e, yet an Ebitda print of ~₹37-38,000/te is possible. Combined India Ebitda reached ₹26,309/te against ₹18,931/te q-o-q.

**Key takeaways for TSLP:** Steel production grew on the back of debottlenecking at steel melting shop and arcing – improving 7% q-o-q and 19% y-o-y in Q4FY21 while FY21 production increased 11% y-o-y. TSLP increased alloy Wire Rod mix to 49% in FY21 vs. 37% y-o-y, and increased market share to 20% in FY21 vis-a-vis 12% y-o-y, supported by increased share in 2Ws segment. In the auto segment, domestic market share grew to 15% in FY21 vs. 12% y-o-y.

**Europe Ebitda in-line; structural solutions awaited:** Ebitda came in line at ₹11.9 bn vs negative ₹7.2 bn in Q3FY21 (Ebitda/te of \$66). Realisations increased only ₹53/te q-o-q highlighting the spread expansion possibilities in Q1FY22e (despite the increase in iron ore prices).

ICICI SECURITIES

## ADANI PORTS & SEZ RATING: BUY

# Numbers were below expectations

Margins should recover as volumes rise; long-term outlook is bright; FY23e EPS up 13%; TP raised to ₹910



**Q4FY21 EBITDA** is 17% below expectations given lower margins but should recover as volumes rise and the April 2021 price hike reflects in FY22e. We believe 3 drivers will re-rate the stock from current levels: (i) Market share rise from 21% to 32% with recent acquisitions by FY25e; (ii) ROE back at 20% with asset sweating; (iii) further drop in promoter pledges. Our revised DCF based PT of ₹910 (v/s ₹670) reflects 13% PAT upgrade in FY23e and higher implied multiple.

**Gangavaram (GPL) acquisition adds 6% to FY23e Ebitda:** Adani Ports will shell out ₹56 bn for 89.6% stake in GPL – 9.2x FY21 EV/Ebitda vs Adani Port's 23.2x. The port is a net cash asset. Mundra Port gained market share from JNPT between service efficiency, lesser distance to hinterland and JNPT's capacity constraints. Mundra's container cargo market share rose to 49% in FY20 vs just 15% in FY07 within the JNPT, Mundra and Pipavav pie. We assume GPL's share rises to 42% by FY25e from 32% in FY20 in the Gangavaram and Vishakapatnam ports' pie. Adani group's increased service levels and ability to give shipping liners the benefit of berthing at its different ports should drive this.

**Krishnapatnam continues to focus on hinterland expansion:** KPCl is 13% and 14% of consolidated revenues and Ebitda and annualised 40 mnt on 227-mnt base ex KPCl. Margins rose to 71% in Q4 from 55% since FY20 when take-over discussions were on. Chennai port, Machillipatnam, Kakinada are key ports around KPCl, with combined volumes of around 70 mnt. Our assumptions factor in some market share gains and 68-73% margins in FY22E-25E. Management is gearing for 80% margins by FY25e.

**Three drivers will re-rate the stock:** (i) Market share rise from 21% to 32% by FY25e; (ii) ROE back at 20% with asset sweating; (iii) further drop in promoter pledges

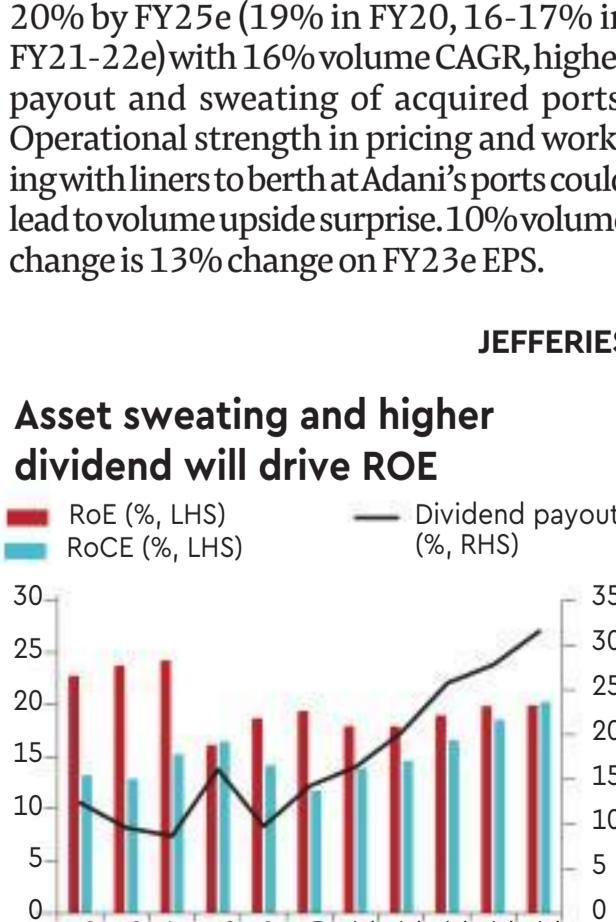
**Factored in some lower margins in FY22E:** Lower Q4FY21 margins led to FY21 margins disappointing by 170 bps at 63.6%. It is likely that Q4 saw acquisition linked costs and some residual expenses booked that led to lower margins. Hence, we have reduced our FY22E margin assumptions by only 40 bps to 64.9% and lowered FY22e Ebitda by 3%.

**Promoter pledges down to 16% of holding from 45% in Nov 2020:** Adani Promoters have dropped pledges sharply post their 20% stake sale in Adani Green. Management commitment is to further drop this to negligible levels. Our DCF based PT of ₹910 implies 16.6x EV/Ebitda FY23e, which is the average of the 10-year trading band. Mgmt was clear if its Yammar port project comes under the sanction purview, it will abandon the same.

**Judicious B/S use playing out in growth – PAT should rise 2.4x in FY20-25E (13% CAGR FY20-22E):** APSEZ is a good blend of geographical and cargo diversification. We believe ROE should return to 20% by FY25e (19% in FY20, 16-17% in FY21-22E) with 16% volume CAGR, higher payout and sweating of acquired ports. Operational strength in pricing and working with liners to berth at Adani's ports could lead to volume upside surprise. 10% volume change is 13% change on FY23e EPS.

**JEFFERIES**

## Asset sweating and higher dividend will drive ROE



# Personal Finance

## HEALTH INSURANCE

# Do you have health cover for Covid treatment?

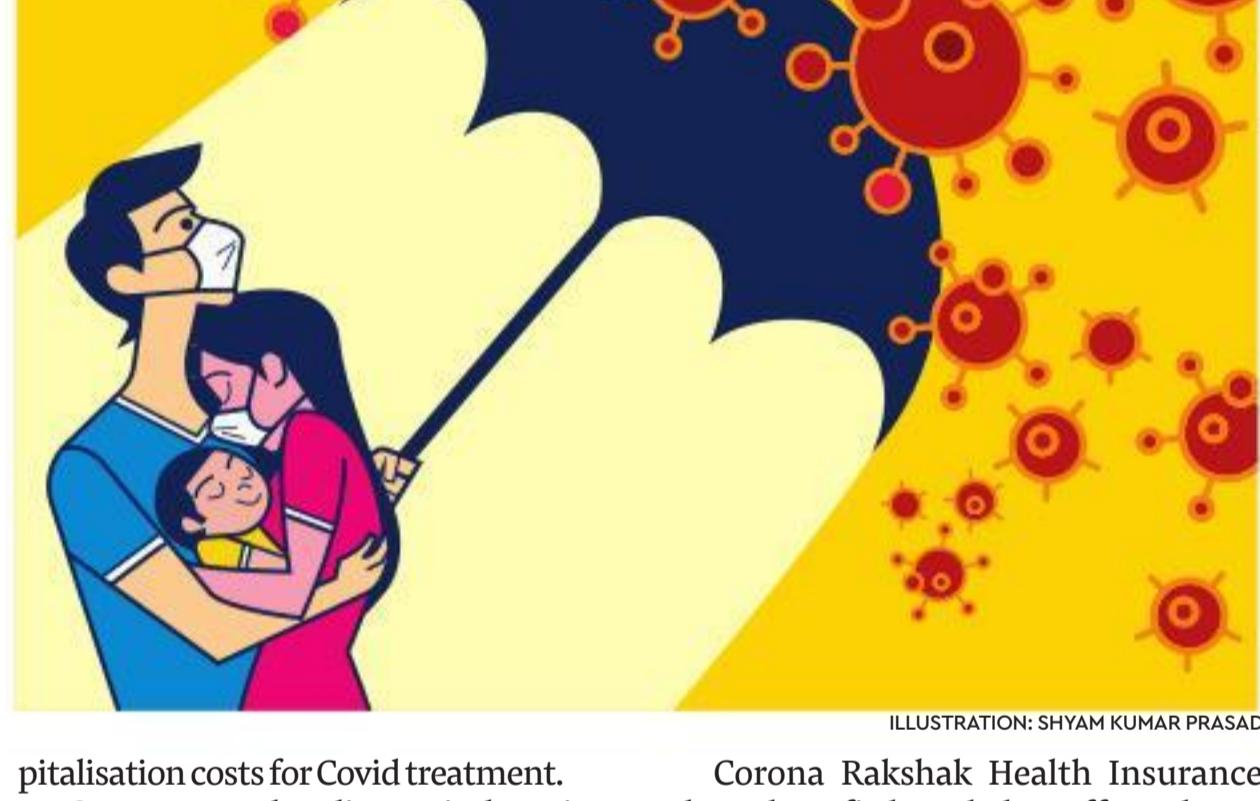


ILLUSTRATION: SHYAM KUMAR PRASAD

While it is ideal to have comprehensive health insurance, you can opt for standard health insurance policy or a short-term Covid specific cover

SAIKAT NEOGI

**GIVEN THE SEVERITY** of the Covid-19 pandemic, it is of utmost priority to buy a health insurance cover, renew and review the existing policy, take a top-up cover and keep in mind the fine print of the policy regarding waiting period, exclusions and rejection of claims. A health insurance policy, including short-term Covid specific covers—Corona Kavach and Corona Rakshak—will not only ensure financial protection in case of a medical emergency due to Covid but will also give peace of mind to the policyholder and his dependents.

### Health covers: Various options

While it is ideal to have a comprehensive health insurance cover, one can opt for standard health insurance policy or a short-term Covid specific cover. The standard health insurance Arogya Sanjeevani is offered by all general and standalone health insurance companies. The minimum entry age is 18 years and the maximum is 65 years and the policy can be renewed for life. In this policy, the maximum coverage is up to ₹5 lakh and it has a sub-limit on the room rent. It covers hos-

pitalisation costs for Covid treatment.

Corona Kavach Policy, an indemnity-based plan, covers hospitalisation, pre-post hospitalisation, home care treatment expenses and Ayush treatment for Covid patients. All hospitalisation expenses such as personal protection equipment (PPE) kits, oxygen, ventilators, and consultation fees will be covered. It also covers home care expenses. Pre and post hospitalisation expenses—15 days before hospitalisation and up to 30 days after discharge—are also covered. One can buy it for a period of 3.5 months, 6.5 months or 9.5 months and can renew it. The sum insured is ₹50,000-₹5 lakh. A policyholder can opt for cashless claims at a network hospital or reimbursement claims at a non-network hospital.

Experts say the lump sum received under Corona Rakshak can be used to pay for consumables such as PPE kits which are usually not covered in a standard health insurance plan. While Corona Rakshak Policy offers individual coverage, Corona Kavach Policy has a family floater plan. Given the increasing medical costs, go for a comprehensive health insurance cover, review the sum assured based on family's

medical needs and buy a top-up cover.

In any regular health insurance policy, look for any clause of sub-limits or co-payments as many insurers impose certain restrictions to keep the premium low. For instance, if there is a sub-limit of 1% of the sum insured on room rent in case of hospitalisation, then for a sum insured of ₹10 lakh, you can claim a maximum of ₹10,000 towards room rent. Also look at plans with no such sub-limits.

### Waiting periods & claim rejection

In a regular health insurance policy, Covid hospitalisation is covered after 30 days of the initial waiting period. For short-term Covid specific covers, waiting period is 15 days. So, no Covid claims made within the waiting period will be cleared.

While Covid is not covered under day care treatment, you can claim money if hospitalised. One can even go for claims if quarantined and treated at home, provided it is payable under the policy's terms and conditions. As hospitalisation is not required for mild Covid, insurers can reject the claim if hospitalisation was not done according to the ICMR/AIIMS clinical norms. Take consent from the insurance company through the third-party administrator for Covid-related hospitalisation in case of moderate to severe disease.

While insurers have to communicate cashless approvals within 60 minutes of receipt of authorisation request along with other details from the hospital, for reimbursement claims one must ensure that the claims form include discharge summaries, test reports, bills, prescriptions, etc., for faster claims payment.

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# What retention & reinvestment rates say about a firm

Higher reinvestment rate reflects higher growth rate in earnings for shareholders

## YOUR MONEY

N SIVASANKARAN

**WHEN VALUING FIRMS**, young investors get stuck in understanding the difference between reinvestment rates and retention rates. Let us discuss the difference between the two along with their applications.

Let us see Mousumi Ltd's (ML) latest data: Dividend ₹500 crore; Profit After Tax (PAT) ₹2,000 crore; Earnings Before Interest and Tax (EBIT) ₹4,000 crore; effective tax rate 30%; Gross capital expenditure ₹800 crore; Depreciation and amortization ₹200 crore; increase in non-cash working capital ₹400 crore.

### Retention rate

It is computed by subtracting the dividend payout ratio from one. For ML, dividend payout ratio is 25% (dividend of

₹500 crore / PAT of ₹2,000 crore). Retention rate for ML is 0.75 (- DPR of 0.25) or 75%. This indicates that ML is retaining 75% of its earnings after tax (or net income) for its future requirements. Growth rate in net income is one of the significant fundamental variables determining the value of a stock.

Growth rate in net income is computed as product of Return on equity (ROE) and retention rate (or one minus DPR). A higher retention rate reflects higher growth rate in earnings for shareholders for a given return on equity projection for a firm. Thus, retention rate is a variable of importance while valuing equity claims of a firm.

### Reinvestment rate

It is calculated by dividing the reinvestment of a firm by its after-tax operating income. Reinvestment is the sum of net capital expenditure and change in non-cash working capital of a firm. Net capital expenditure is excess of gross capital expenditure over depreciation and amortisation. For ML, net capital expenditure is ₹600 crore, i.e., gross capital expenditure of ₹800 crore minus depreciation & amortisation of ₹200 crore.

Increase in non-cash working capital for ML is ₹400 crore. Increase in non-cash working capital results in cash outflows (thereby increasing reinvestment) while decrease in non-cash working capital



ILLUSTRATION: SHYAM KUMAR PRASAD

results in cash inflows (thereby decreasing reinvestment). Net reinvestment is ₹1,000 crore; i.e., sum of net capital expenditure of ₹600 crore and increase in non-cash working capital of ₹400 crore. After-tax operating profit is ₹2,800 crore [₹4,000 crore \* (1 - tax rate of 30%)].

Reinvestment rate for ML is 35.71% (Net reinvestment of ₹1,000 crore divided by after-tax operating profit of ₹2,800 crore). So ML is reinvesting ₹35.71 out of every ₹100 after-tax operating income. Reinvestment rate is an input in the computation of growth rate in operating income for both debt and equity investors.

Growth rate in operating profit of a firm is calculated as a product of its return on capital and reinvestment rate. A higher reinvestment rate reflects a higher growth rate in earnings for shareholders for a given return on capital projection for a firm. Therefore, retention rate is a variable of importance while valuing total claims (both debt and equity) of a firm.

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

# BrandWagon

MONDAY, MAY 10, 2021

## MARKETING

### Stay away from tokenism

This is the time for marketers to do their bit as citizens of a country in need



Dheeraj Sinha

**WHAT'S GOING ON** around us is not celebratory by any measure. However, that doesn't mean we have to be suspicious of everything else that remotely alludes to a normal life. Imagine all visual stimuli around us to be related to Covid, and I am sure we will see a further spike in mental health issues, domestic violence, and so on. We are in a pressure cooker situation, and there is a role for things that act as release, as much as for things that build support at the time of this crisis.

I think there is merit in the consumer economy to carry on. Of course, everything will be compromised and calibrated by the fact that people are not going out in hordes (hopefully) and offline retail has been limited. Yet, people need food,



clothes, kitchenware, entertainment, music, skincare, payment services and so on, to carry on with life. Besides, the consumer economy also supports a sizable number of jobs and livelihoods.

Hence, even if the category you operate in comes under non-essentials, but you are able to fulfil customer needs, it is fine to continue with your marketing. That's not being tone-deaf.

#### Being citizens first

Consumers are smart enough to compartmentalise consumption and crisis. It's not important for everyone to re-shoot their TV ads with people wearing masks. The needs on the ground are so stark that showing people wearing masks in your ads won't help at all; it will merely be tokenism. Unless, of course, your advertising promotes mass-revelry and super-spreader events – unlikely that you would have shot such a film in the past 12

months. For all practical purposes, your marketing campaign built around your product advantages and your brand platform is as good as it was last month.

What we do need from brands, however, is for them to play their role as responsible citizens. We must be able to have a socio-capitalist view of brands. In today's times, a brand is what a brand does. As marketers, we obsess too much about what our brands say – our advertising campaign, social media strategy, etc. While all of these are very important, what's more important is that we back our concern with real, on-ground action. You could have a high-decibel, entertaining advertising campaign running, and that's alright, but you should also be able to help with the current crisis on the ground.

#### Walking the talk

Brands must come out and help with whatever they can – oxygen, medicines, food, quarantine, and so on. We have seen brands participate in Navratri and Durga

Puja by sponsoring local-level celebrations; it's time for brands to divert their sponsorship to local-level Covid support. For example, companies like the Tatas, Amazon, Zomato and Cred have risen to the occasion, and are doing their bit to help with the crisis. If you are a significant player in this country, and you aren't playing a real role in helping the situation on the ground, that's being tone-deaf.

Now, if you are in a category where you see no uptake at this point in time, say leisure travel, you don't have to be present in the media. The time to run ads asking people to wear masks, use sanitisers or get vaccinated has gone. Brands should not be under pressure to have a share-of-voice for the sake of it. If you are not in demand right now, conserve your resources; you will need all of that once this is behind us, because there will be revenge-demand for everything that we currently are not able to do.

Essentially, this is the time for real action. What will count for brands are their acts. Tweaking of their advertising can do nothing to make them appear sensitive or insensitive. The real solution to the situation lies in the availability of critical resources on ground

The author is CEO & chief strategy officer – South Asia, Leo Burnett

## OTT

### Select viewing

Documentaries and plays are finding their own streaming destinations online



VENKATA SUSMITA BISWAS

**THE STEADY INCREASE** in paid subscriptions for mainstream OTT video streaming platforms is giving impetus to niche platforms. DocuBay, Discovery+, Mubi and Nine Rasa are some of the platforms in India streaming documentaries, critically acclaimed movies from around the world, and Indian theatre productions.

According to the FICCI-EY media and entertainment report 2021, 28 million Indians (up from 10.5 million in 2019) paid for 53 million OTT subscriptions in 2020, leading to a 49% growth in digital subscription revenues. Further, 284 million Indians consumed content which came bundled with their data plans. Subscription revenue from digital platforms stood at ₹4,350 crore in 2020. Could these niche platforms break into the subscription market?

#### Different streams

Girish Dwibhashyam, VP – strategy, DocuBay, says the platform has 1.5 million users at the moment. He estimates the overall addressable market for documentary platforms to be around 20% of Indian internet video viewers. As per FICCI-EY, India had 468 million video viewers as of 2020, expected to reach 650 million by 2023.

Isaac John, direct-to-consumer head – APAC, Discovery, says that 45% of the viewership of discovery+ comes from tier II cities, and the rest from metro and tier I cities. About 60% of the viewership is contributed by males on the platform.

"Niche platforms are intended to serve English-speaking, socio-economic class A audiences. Depending on the pricing of the platform, the universe of the platform could be 10–50 million viewers," says Jehil Thakkar, partner, Deloitte India.

DocuBay offers an annual subscription plan for ₹999; premium content on discovery+ can be accessed for ₹299 per year; while the yearly plan for Mubi comes at ₹3,499; and Nine Rasa charges users ₹599 per year for curated theatre performances. Masterclass, which offers courses by celebrities, charges ₹15,500 for an annual subscription.

International platforms like Masterclass and CuriosityStream are able to tap into Indian audiences, even without content in Indian languages or themes. DocuBay's content is accessible from 170 countries, the platform claims. The one-year-old discovery+ has been adding international content, from the BBC and such, which is not available on its television counterpart. John informs that five to six of the 50–60 originals on discovery+ are made locally.

Nine Rasa, a platform meant exclusively for the performing arts, plans to add four new plays every month by commissioning projects and acquiring rights of recorded plays as well. Maintaining production quality is a challenge, says Shreyas Talpade, founder of the platform. He aims to match the quality of content available on other mainstream platforms by shooting plays with a multi-camera set-up.

#### Up the niche

A large library alone is unlikely to attract users, say analysts. "All platforms, mainstream or niche, need to have tentpole properties where they over-invest. This tentpole property becomes the hook to draw users in. And it is the quality of content that becomes the key differentiator," says Thakkar. Independent niche platforms are yet to be recognised for their tentpole original shows.

Meanwhile, mainstream OTT platforms have been building their niche content libraries, too, having tasted success with non-fiction content – shows like Wild Wild Country and Tiger King on Netflix are two popular examples. Mautik Tolia, MD, Bodhitree Multimedia, a production house, says, "While there has been an increase in interest to create non-fiction content, most of the work is being commissioned by platforms like Netflix and Amazon Prime Video."

Tolia expects consolidation to happen in the niche OTT segment, as maintaining a steady flow of content and investing in marketing require deep pockets. "The entry barrier is low for digital, but to stay in the market in the long term, platforms will need to invest heavily in standout shows," he adds.

## In The News



### IPL suspension puts Star in a spot

WITH THE BCCI calling off IPL 2021 amid rising Covid cases among players, official broadcaster Star could face huge losses. The suspension of the tournament this early – it was to be held from April 9 to May 30 – could mean a 50% hit on the broadcaster's advertising revenue, analysts say. Star has paid ₹16,347 crore to acquire the broadcasting rights for IPL for a five-year period ending 2022.

### Change of guard at Rediffusion

THE FOUNDERS OF Rediffusion, Diwan Arun Nanda and Ajit Balakrishnan, have decided to step back from the day-to-day management of the agency. Sandeep Goyal, a past

president of Rediffusion (1997–2001) will return as managing director. Nanda will stay on as chairman and continue to mentor the agency, while Balakrishnan will focus on Rediff.com.

### MullenLowe promotes S Subramanyeswar

MULLENLOWE GROUP HAS appointed S Subramanyeswar as chief strategy officer for the Asia Pacific region. In this new role, he will manage responsibilities for the whole of APAC, over and above his current charge as the group chief strategy officer at MullenLowe Lintas Group (India).

### Shailendra Katyal to lead Lenovo's India business

SHAILENDRA KATYAL HAS been appointed as MD, Lenovo PCSD India, and site leader for Lenovo Group in India. He succeeds Rahul Agarwal, who has decided to move on. Katyal was formerly executive director at Lenovo India PC and Smart Devices Group.

### Wondrlab brings in Jateen Kore as digital head

WONDRLAB HAS BROUGHT Jateen Kore on board as its digital head. He moves from IDFC First Bank, where he was the head of digital marketing.

### Havas Media Group launches Meaningful Marketplaces

MEANINGFUL MARKETPLACES, the agency says, is a more impactful way of investing in trusted news sources. It will provide a direct access to influential and engaging media curated by humans and "never machines".

## Motobahn

VIKRAM CHAUDHARY

**THE SEVEN-SEATER** midsize SUV space is shrinking. As the accompanying table shows, in CY2017 this segment had four models (Mahindra XUV 500 and Scorpio, and Tata Hexa and Safari), with sales of 96,539 units. In the CY2020 pandemic year, the segment had shrunk to 43,678 units (despite the addition of MG Hector Plus). However, analysts are of the opinion that this segment will pick up in a big way this year, with Tata having launched the new Safari earlier this year, followed by Hyundai Alcazar (later this month) and Mahindra XUV 700 (later this year).

Tarun Garg, director, sales & marketing, Hyundai Motor India, said although this segment is shrinking, the decision to enter this space is well-thought-through. "One of the previous decade's most successful cars has been the Creta (of which over 6 lakh units have been sold since 2015), and with the Alcazar we want to tap into the existing Creta customer base who may wish to upgrade," he said. "We have always believed that great products create and expand segments. The Santro did that in 1998–99, as did the i10 and the i20 in the 2010s, and then in 2015 the Creta. These cars either created segments or expanded existing segments."

Since the launch of the Creta, the sales share of SUVs has taken off. "In 2015, SUVs formed just 13.5% of the passenger vehicle market, but in the January to March 2021 quarter this share shot up to 34%", Garg added. "I believe Hyundai has a big role to play in expanding this share. The Alcazar will not only complete our range of SUVs, but our research suggests that customers are really looking for SUVs this shape and size."

Analysts agree the next big SUV segment in India is the midsize seven-seat.

Som Kapoor, partner, Automotive Sector, EY India, said that midsize seven-



### HYUNDAI ALCAZAR

## Why Hyundai is entering seven-seat midsize SUV space

Analysts say the midsize seven-seater SUVs are the new frontier

seat SUVs are the new frontier. "There are a lot of families in India that have two parents and two kids, plus a driver, and they are keenly looking at the midsize seven-seater SUVs," he said.

Gaurav Vangaal, associate director,

IHS Markit, added that with big players such as Hyundai entering this space (and the Safari off to a flying start), it will expand. The Alcazar has six and seven seat options, and is expected to attract customers from sedans and MPVs, as

well as those who wish to upgrade from the Creta. "Next year it's likely that Maruti Suzuki will enter the midsize six- and seven-seat SUV space (and a co-branded product with Toyota), and that will really open it up," Vangaal said.

Garg added that customers from all segments are shifting to SUVs as their next car, and the same will happen with the Alcazar. "A lot of customers will come from the midsize sedan segment, and then there would be upgraders from the Creta segment. The Alcazar will not only meet their mobility needs, but also their lifestyle needs," he said.

The Alcazar will not only meet buyers' mobility needs, but also their lifestyle needs.

— TARUN GARG, DIRECTOR, SALES & MARKETING, HYUNDAI INDIA

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The Alcazar will be slotted between the Creta and the Tucson (the Creta is priced, ex-showroom, from ₹9.99 lakh to ₹17.54 lakh, and the Tucson from ₹22.55 lakh to ₹27.33 lakh). It will have two engine options: the 2.0-litre petrol (157bhp) and the 1.5-litre diesel (113bhp), and both the engines will come with 6-speed automatic and 6-speed manual transmission options.

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# Infrastructure

MONDAY, MAY 10, 2021

## EXPERT VIEW

With rail transport causing ~70% lower emissions compared with diesel-operated trucks, we estimate WDFC can eliminate 8.0-9.0mmt/pa of carbon emissions by FY26F

—Nomura

## DISINVESTMENT

## PSEs' sale important for NIP agenda

The govt needs to address structural issues if its ambitious divestment target of ₹1.75 trillion for FY22 is to be realised

KUSHAL KUMAR SINGH

**BUDGET 2021-22 HAS BEEN LAUDED BY MANY AS A STEP IN THE RIGHT DIRECTION.** It lays a strong emphasis on infrastructure development – economic and social. Realising this infrastructure plan would require significant spend. With the economy still reeling from the COVID-19 shock, the government has hinged its funding strategy on the prime minister's mantra – "the Government has no business to be in business". The ambitious infrastructure development plan rests on three pillars – monetisation, divestment, and public-private partnerships (PPPs).

**Compete or exit:** Amongst the three pillars, divestment of Public Sector Enterprises (PSEs) will be a significant contributor to the success of the infrastructure plan. With strategic sale and divestment of PSEs, the government intends to achieve the stated objective of tapping private-sector efficiency as well as ability to invest. Recent progress in PPP projects in sectors like airports, highways, and ports indicates investor appetite, and strengthens the efficiency argument in favour of PSEs' strate-



gic sale. Also, over the years, the government has ended up with a number of businesses that are either obsolete in today's context, unsustainable, or have multiple overlaps with other PSEs. The message is unequivocal for PSEs – compete or exit.

**The ₹1.75-trn question:** The Centre has set a steep target of ₹1.75 trn for disinvestments and strategic sale for FY2021-22. While the government's intent is clear and undeniably has strong merit, the moot question is whether the target is achievable in an economy significantly impacted by COVID-19. In FY21, the disinvestment proceeds were about ₹310 billion, as against a target of ₹2,100 billion, with COVID-19 arguably playing spoilsport. In FY20, the disinvestment receipts were budgeted at ₹1.05 tril-

lion, but less than half of this amount could be realised. Going by the past achievements vis-à-vis targets, the FY22 figure appears to be ambitious. Although COVID-19 did push back the Centre's plan, it has afforded time to undertake the much-needed preparatory groundwork for these transactions, including an exercise to identify monetisable assets and a disinvestment pipeline.

**Caveat emptor:** In theory, the merit of the idea, preparatory work, and private-sector sentiment and momentum should lead to favourable results. However, some aspects and structural issues need to be addressed to ensure realisation of the ambitious target:

**1) Cautious optimism is the key:** Adequate care must be taken to value public-sector assets or enterprises realistically. It

is imperative to undertake proper due diligence before putting up such assets for sale, and, more so, depend on the competitive bidding process.

**2) Complementing yet competing priorities:** Monetisation of PSEs' core and non-core assets and PSEs' strategic sale are complementing and competing priorities. In some cases, there have been initiatives to dispose of monetisable assets while the divestment process is underway. Such efforts are likely to adversely impact the disinvestment/strategic sale potential.

**3) Structuring aspects:** There has been much talk about structuring divestment deals with specific provisions pertaining to employee protection, restriction on asset monetisation, etc. While building a certain level of protection for various stakeholders is important, this must be weighed against the objective of the strategic sale exercise, i.e. tapping private-sector efficiency and ensuring additional investments. This is especially important in the case of PSEs that are loss-making or obsolete in today's context.

**4) Protection against undiscovered liabilities and lawsuits:** A mechanism is needed for protecting against undiscovered liabilities and taking appropriate legal or regulatory action to ensure that investor confidence is sustained. This would also require a mechanism to fast-track the resolution of any pre-deal and post-deal legal action.

The writer is Partner, Deloitte India

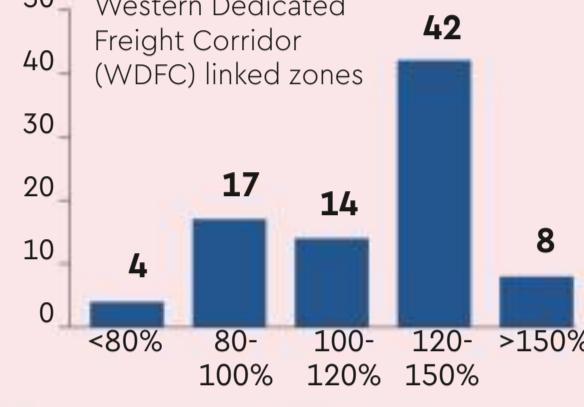
## DATA MONITOR

### WDFC to change face of railway logistics

The commissioning of the Western Dedicated Freight Corridor (WDFC) up to the Gujarat ports of Mundra and Pipavav in FY22F should lead to time-guaranteed delivery of consignments by the railways, leading to 9pp market share shift from road to rail over FY22-26F. The fact that WDFC freight rates will be lower than existing rail rates by 16-20% by FY26F will boost Indian logistics' competitiveness, both from a cost and timeliness perspective.

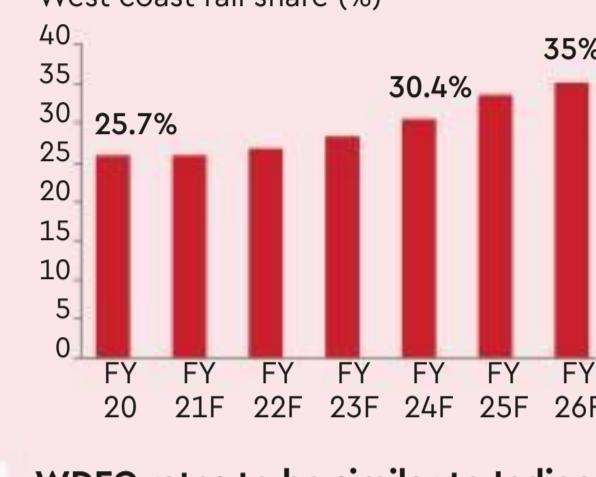
## Congestion along the WDFC route

High congestion impacts the timeliness of delivery by Indian Railways



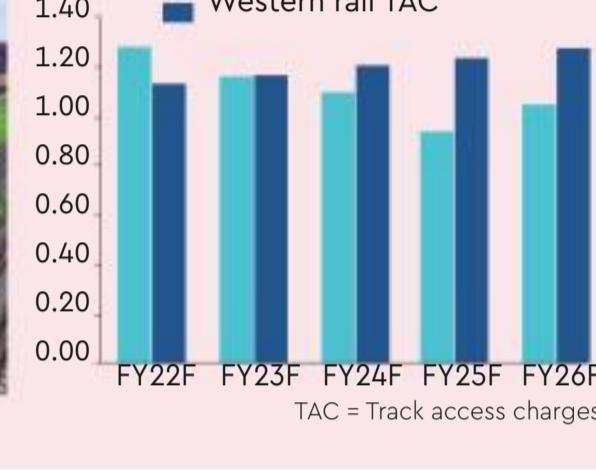
## WDFC commissioning likely to lead to rail market share gains

West coast rail share (%)



## WDFC rates to be similar to Indian rail rates in initial years

(₹) Overall estimated TAC Western rail TAC



Source: Indian Railways, Nomura estimates

## Quick View

# Startups

## VEGOLUTION

## Upping the protein quotient

This nutrition startup has launched a protein-rich bean-based food ingredient that's ideal for vegetarians

BANASREE PURKAYASTHA

THE RECOMMENDED DIETARY allowance (RDA) for protein is a modest 0.8 grams per kilogram of body weight. Round it off, and you get one gram of protein for every one kilogram of body weight. And if you are planning to lose weight, increasing your protein intake becomes all the more important. Sadly, most Indians, even if they can afford it, don't eat enough protein to fulfill that requirement.

The reason is not far off to seek. In India, the number of vegetarian meal moments far exceed non-vegetarian. A large number of vegetarians and mostly-vegetarians struggle to find sufficient variety in their daily diet that fits their taste profile as well as provides the essential protein and nutrition they want," says Siddharth Ramasubramanian, founder and CEO, Vegolution, a foodtech startup.

It is to address this glaring nutrition gap in the Indian vegetarian diet that Vegolution has come up with a 100% vegetarian protein-rich bean-based food ingredient called Tempay, under the brand name Hello Tempay, that easily fits into the modern Indian kitchen in ready-to-cook and ready-to-eat formats. "Our non-GMO soybeans are primarily sourced from



Siddharth Ramasubramanian, CEO &amp; founder of Vegolution

Madhya Pradesh. All our marinades are also sourced and produced locally," says Ramasubramanian. "We were in constant dialogue with nutritionists during the development of the product. They validated the gap in the market and encouraged us to address not just the protein gap but also the Vitamin B12 and iron deficiency in India."

Two other important factors also played an important role in Vegolution's debut in the superfood segment. "First, consumers have become more conscious about food and health as a result of the Covid pandemic. Second, metro-dwellers are starved for time and as a result, are

looking for ready to cook and eat options that are easy to pull together," he adds.

The Hello Tempay range of ready-to-cook and eat products are priced ₹130-₹150 for 200 gm, enough for serving 3-4 people. While there are many supplements (bars and shakes) entering the niche superfood segment, Vegolution has focused on the main meals where it sees a large gap.

As Ramasubramanian explains, Indians, who mostly consume vegetarian food whether at home, at restaurants or at social gatherings and are looking for power-packed nutrition, lack sufficient choices on the main plate.

"It has been especially eye-opening to

speak to modern Indian consumers and see their willingness to experiment and discover new foods. The next generation of consumers view branded foods with a different filter that is more multi-dimensional—taste, health and sustainability," he points out.

Ramasubramanian started Vegolution in mid-2019 along with his friend, Los Angeles-based Rajit Malhotra, a seasoned foodtech, health and wellness investor and entrepreneur and former McKinsey managing partner. Based in Bengaluru, the startup is self-funded by the founders, along with a group of strategic individual investors. "We have raised \$1.5 million including the founders' seed capital. The investors who participated in this round include KS Narayanan, former president at VKL Seasonings; Ashok Barat, former CEO at Forbes Company; and Robert Boughner, former CEO of the US-based Borgata Hotel Casino & Spa," says Ramasubramanian.

Customers can buy Hello Tempay products in Bengaluru through the hello tempay website and on select e-commerce platforms such as Big Basket, Vegan Dukan and others.

"We have a B2C plan which includes online channels followed by modern and general trade distribution. We will quickly follow up with our B2B channel strategy to supply to food manufacturers and the HORECA (hotels, restaurants, cafes) segment as consumers look to find new healthy alternatives across the board. Our audience comprises two distinct groups of (bars and shakes) entering the niche superfood segment, Vegolution has focused on the main meals where it sees a large gap.

As Ramasubramanian explains, Indians, who mostly consume vegetarian food whether at home, at restaurants or at social gatherings and are looking for power-packed nutrition, lack sufficient choices on the main plate.

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## Quick View



### 462 infra projects show cost overruns of over ₹4.36 lakh crore

AS MANY AS 462 INFRASTRUCTURE projects, each worth ₹150 crore or more, have been hit by cost overruns totalling more than ₹4.36 lakh crore, a Ministry of Statistics and Programme Implementation report

has said. Of the 1,737 such projects, 462 reported cost overruns and 557 were delayed. "Total original cost of implementation of the 1,737 projects was ₹22,33,409.53 crore and their anticipated completion cost is likely to be ₹26,69,649.35 crore, which reflects overall cost overruns of ₹4,36,239.82 crore (19.53% of original cost)," the ministry's latest report for March 2021 said. The expenditure incurred on these projects till March 2021 is ₹13,06,617.54 crore, which is 48.94% of their anticipated cost, it said. However, the number of delayed projects decreases to 412 if delay is calculated on the basis of the latest schedule of completion.

Rlys cancels premium trains due to Covid wave, low traffic

THE NORTHERN RAILWAYS ON Thursday cancelled a slew of Rajdhani, Shatabdi and Duronto Express trains, citing low patronisation and rising coronavirus cases as the reason behind the decision. The to-and-fro services of eight Shatabdi Express, two Rajdhani Express, two Duronto Express and one Vande Bharat Express, among around 28 trains in all, have been cancelled "till further advice" by the Northern Railways. Among these are Shatabdis originating from Delhi for places like Kalka, Habibganj, Amritsar, Chandigarh, Rajdhani trains from Delhi to Chennai, Bilaspur, and Duronto trains to Jammu Tawi and Pune. The Central Railways has cancelled 23 passenger trains.

## AP selects Essar Steel as JV partner for 3-MT steel plant

THE ANDHRA PRADESH government on Tuesday decided to select Essar Steel Limited as the joint venture partner for setting up of a three-million-tonne-per annum capacity steel plant in Kadapa district. The state Cabinet cancelled its previous resolution selecting Liberty Steel India Limited as the JV partner for the plant. With Liberty stuck in financial woes, SBICAP had asked the YSR Steel Corporation Limited, the SPV of the state government, to proceed with Essar, the next qualifying applicant.



### Fuel sales fell in April due to local curbs to check Covid wave

THE SECOND WAVE OF CORONAVIRUS SWEEPING THE NATION PUMMLED FUEL SALES IN APRIL AS LOCAL RESTRICTIONS TO CURB THE SPREAD OF THE INFECTION STIFLED DEMAND, PRELIMINARY DATA HAS SHOWN. "AT THE END OF APRIL, OVERALL FUEL DEMAND IS DOWN BY ABOUT 7% FROM PRE-COVID LEVEL OF APRIL 2019," ARUN SINGH, DIRECTOR FOR MARKETING AND REFINERIES AT BHARAT PETROLEUM CORPORATION LTD (BPCL), SAID.

A 2.14 MILLION TONNES OF PETROL SALES IN APRIL WERE 6.3% LOWER THAN IN MARCH 2021 AND 4.1% LOWER THAN APRIL 2019. PETROL SALES IN APRIL 2020 STOOD AT 872,000 TONNES. DEMAND FOR DIESEL – THE MOST USED FUEL IN THE COUNTRY – FELL TO 5.9 MILLION TONNES IN APRIL 2021, DOWN 1.7% FROM THE PREVIOUS MONTH AND 9.9% FROM APRIL 2019. DIESEL SALES IN APRIL 2020 STOOD AT 2.84 MILLION TONNES.

## PowerGrid InvIT IPO subscribed 4.83 times

THE INITIAL PUBLIC OFFER OF THE POWERGRID INFRASTRUCTURE INVESTMENT TRUST (POWERGRID INVIT) WAS SUBSCRIBED 4.83 TIMES ON THE LAST DAY OF SUBSCRIPTION ON MONDAY LAST. THE ₹7,735-CRORE ISSUE RECEIVED BIDS FOR 2,05,40,48,700 UNITS AGAINST 42,54,25,000 UNITS ON OFFER, AS PER NSE DATA. THE INSTITUTIONAL INVESTORS' CATEGORY WAS SUBSCRIBED 4.63 TIMES AND OTHER INVESTORS 5.07 TIMES. DAYS EARLIER, POWERGRID INVIT HAD RAISED A LITTLE OVER ₹3,480 CRORE FROM ANCHOR INVESTORS. THE IPO COMPRISED A FRESH ISSUE OF SHARES WORTH ₹4,993.48 CRORE AND AN OFFER FOR SALE TO THE TUNE OF ₹2,741.50 CRORE BY SELLING SHAREHOLDERS. THE PRICE RANGE FOR THE OFFER WAS ₹99-100 PER UNIT.

## Steel makers hike prices by up to ₹4,500 per tonne

DOMESTIC STEEL MAKERS HAVE HIRED THE PRICES OF HOT ROLLED COIL (HRC) AND COLD ROLLED COIL (CRC) BY ₹4,000 AND ₹4,500 PER TONNE, RESPECTIVELY, INDUSTRY SOURCES SAID LAST WEEK. AFTER THE REVISION, A TONNE OF HRC WILL COST ₹67,000 WHILE BUYERS WILL GET CRC FOR ₹80,000 PER TONNE. ACCORDING TO THE SOURCES, THE PRICES OF HRC AND CRC COULD AGAIN BE INCREASED BY ₹2,000-4,000 PER TONNE. ANOTHER HIKE IS LIKELY IN MID-MAY OR EARLY JUNE. THE PRICES OF VEHICLES AND CONSUMER GOODS WERE BOUND TO BE IMPACTED BY THE RISE IN STEEL PRICES, AN EXPERT SAID.

Fintech startup Nivesh bags ₹12 crore funding from IAN Fund; fresh funds raised to be utilised for expansion of product portfolio, technology enhancement and more

SUDHIR CHOWDHARY

NOIDA-BASED NIVESH IS A MOBILE-FIRST DIGITAL PLATFORM HELPING DISTRIBUTORS OF MUTUAL FUNDS AND OTHER FINANCIAL PRODUCTS TO DEEPEN THEIR PENETRATION IN THE COUNTRY. THE PLATFORM ENABLES DISTRIBUTORS TO EXPAND THEIR BUSINESSES AND BRING IN NEW CLIENTS, WHO CAN NOW BE SERVICED

FOR DIFFERENT AMCs AND HENCE EXPERIENCE IMPROVED PORTFOLIO PERFORMANCE. THE COMPANY IS FOUNDED BY ANURAG GARG, WHO HAD EARLIER CO-FOUNDED MUTUALFUNDSINDIA.COM AND EXITED AFTER ACQUISITION BY ICRA.

RECENTLY, THIS FINTECH STARTUP RAISED ₹1.6 MILLION LED BY IAN FUND. THE ROUND ALSO SAW PARTICIPATION FROM OTHER CO-INVESTORS INCLUDING ANGEL INVESTORS FROM INDIAN ANGEL NETWORK, LV ANGEL FUND, VIR MEHTA AND RAGHAV KAPUR. THE FRESHLY INFUSED CAPITAL WILL BE UTILISED FOR THE EXPANSION OF PRODUCT PORTFOLIO, SPECIFICALLY INSURANCE AND LENDING PRODUCTS, IN ADDITION TO BRINGING MORE INVESTMENT PRODUCTS FOR ITS PARTNERS AND CUSTOMERS. THE EXPANSION WILL ALSO FOCUS ON TECHNOLOGY ENHANCEMENT BY BRINGING IN AUTOMATION WHERE CUSTOMERS WILL BE SUGGESTED PRODUCTS BASED ON THEIR NEEDS.

"WE ARE LOOKING AT MAKING NIVESH A

CORPORATE FDs, INSURANCE, ETC., IN INDIA'S TIER 2/3/4 CITIES. WE FOLLOW A HYBRID MODEL OF DIGITAL-FIRST APPROACH WITH HUMAN CONNECT TO REACH PEOPLE IN EVERY CORNER OF THE COUNTRY."

SRIDHAR SRINIVASAN IS THE OTHER CO-FOUNDER AT NIVESH. TOGETHER, GARG AND SRINIVASAN BRING A COMPLEMENTARY LEADERSHIP TO NIVESH WHICH IS TARGETING A LARGE UNTAPPED MARKET. NIVESH PLANS TO ENABLE ACCESS THROUGH MORE INDIAN LANGUAGES FOR EASIER ACCESS TO CUSTOMERS FROM DIFFERENT PARTS OF THE COUNTRY AND THIS WILL PROVIDE A HUGE FILIP TO THE COMPANY'S GROWTH.

IN 2020, NIVESH WAS LISTED IN WEALTHTECH100, WHICH IS AN ANNUAL LIST OF TOP 100 OF THE WORLD'S MOST INNOVATIVE WEALTHTECH COMPANIES SELECTED BY A PANEL OF INDUSTRY EXPERTS AND ANALYSTS. THE SELECTED COMPANIES WERE RECOGNISED FOR THEIR INNOVATIVE USE OF TECHNOLOGY TO SOLVE A SIGNIFICANT INDUSTRY PROBLEM, GENERATE COST SAVINGS OR IMPROVE EFFICIENCY ACROSS THE INVESTMENT VALUE CHAIN

LET'S TAKE A STEP TOWARDS  
EVERYONE'S SAFETY.  
**IT'S TIME TO VACCINATE!**



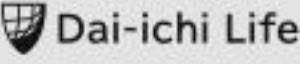
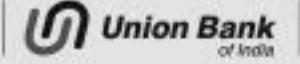
**Star Union Dai-ichi Life Insurance Company Limited**

IRDAI Regn No. 142 | Registered Office: 11<sup>th</sup> Floor, Vishwaroop IT Park, Plot No. 34, 35 & 38, Sector 30A of IIP, Vashi, Navi Mumbai - 400703. | Tel.: 022-71966200 | Email: customercare@sudlife.in | Website: www.sudlife.in | CIN: U66010MH2007PLC174472.



**Star Union Dai-ichi  
Life Insurance**

A joint venture of



## AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2021

FORM L-1A-A-RA

Revenue Account for the year ended March 31, 2021 - Policyholders' Account (Technical Account)

(₹ in Lakhs)

Particulars	For the year ended March 31, 2021								For the year ended March 31, 2020							
	Total	Non-Linked				Linked				Total	Non-Linked				Linked	
		Individual	Pension <sup>#</sup>	Life	Annuity	Individual	Pension	Group	Life <sup>*</sup>	Pension <sup>#</sup>	Life	Annuity	Individual	Pension	Group	Group
<b>Premiums earned – net</b>																
(a) Premium	2998.62	1690.92	432.87	446.72	-	421.73	2.90	3.48	2314.23	1462.09	284.98	225.60	-	332.97	3.52	5.07
(b) Reinsurance ceded	(111.69)	(5.84)	-	(105.51)	-	(34)	-	-	(57.68)	(5.73)	-	(51.59)	-	(36)	-	-
(c) Reinsurance accepted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Income from Investments</b>																
(a) Interest, Dividends & Rent (Gross)	619.44	384.94	69.87	78.12	3.81	79.72	2.06	92	546.13	313.00	48.98	79.99	4.09	95.71	3.52	84
(b) Profit on sale/redemption of investments	576.03	94.66	21.06	17.06	33	424.34	18.34	24	411.09	98.51	8.63	6.01	26	273.21	24.04	43
(c) (Loss on sale/redemption of investments)	(163.17)	(21.11)	(21)	(4.13)	-	(132.53)	(4.80)	(39)	(108.43)	(5.42)	(12)	(2.06)	(7)	(94.72)	(5.85)	(19)
(d) Transfer/Gain on revaluation/change in fair value	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e) Unrealised Gain/(Loss)	369.70	-	-	-	-	357.56	12.17	(3)	(518.72)	-	-	-	-	(486.52)	(32.24)	4
<b>Other Income</b>																
(a) Contribution from the Shareholders' Account	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b) Contribution from Shareholders' Account towards excess EOM	17.01	-	3.90	12.92	-	-	19	-	3.88	-	3.53	-	-	-	35	-
(c) Miscellaneous Income	2.73	2.34	24	2	-	14	(1)	-	2.71	2.42	14	1	-	13	1	-
<b>Total (A)</b>	<b>4308.67</b>	<b>2145.91</b>	<b>527.73</b>	<b>445.20</b>	<b>4.14</b>	<b>1150.62</b>	<b>30.86</b>	<b>4.21</b>	<b>2593.21</b>	<b>1864.87</b>	<b>346.14</b>	<b>257.96</b>	<b>4.28</b>	<b>120.42</b>	<b>(6.65)</b>	<b>6.19</b>
Commission	182.20	121.85	12.75	34.16	-	13.38	6	-	155.77	114.59	8.65	18.87	-	13.59	7	-
Operating Expenses related to Insurance Business	389.98	256.88	15.23	43.62	2	73.97	26	-	366.83	270.39	10.57	16.11	3	69.29	43	1
Provision for doubtful debts	(9)	(7)	-	-	-	(2)	-	-	10	7	-	-	-	3	-	-
Bad debts written off	32	31	-	-	-	1	-	-	26	25	-	-	-	1	-	-
Provision for Income Tax	10.84	10.82	-	-	2	-	-	-	12.98	12.61	-	34	3	-	-	-
<b>Provisions (other than taxation)</b>																
(a) For diminution in the value of investments (Net)	24.66	10.56	-	-	-	13.77	33	-	34.91	16.96	-	-	-	17.55	40	-
(b) Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Goods & Services Tax on linked charges	9.07	-	-	-	-	8.89	17	1	9.33	-	-	-	-	9.04	28	1
<b>Total (B)</b>	<b>616.98</b>	<b>400.35</b>	<b>27.98</b>	<b>77.78</b>	<b>4</b>	<b>110.00</b>	<b>82</b>	<b>1</b>	<b>580.19</b>	<b>414.87</b>	<b>19.22</b>	<b>35.32</b>	<b>6</b>	<b>109.51</b>	<b>1.18</b>	<b>2</b>
Benefits Paid (Net)	1137.00	247.71	23.88	305.07	5.05	527.35	25.40	2.54	1034.96	189.54	14.05	137.81	7.45	632.31	51.61	2.19
Interim Bonuses Paid	2	2	-	-	-	-	-	-	1	1	-	-	-	-	-	-
Change in valuation of liability in respect of life policies																
(a) Gross	1977.41	1376.60	456.36	146.08	(1.38)	(31)	5	1	1544.71	1159.65	304.27	84.04	(3.75)	57	(9)	2
(b) Amount ceded in Reinsurance	(20.60)	(11.75)	-	(8.85)	-	-	-	-	(59)	4.98	-	(5.57)	-	-	-	-
(c) Amount accepted in Reinsurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d) Transfer to Linked Funds (Fund Reserve)	509.07	-	-	-	-	503.75	3.72	1.60	(513.07)	-	-	-	-	(456.20)	(60.81)	3.94
(e) Transfer to Discontinued Fund (Fund Reserve)	27.93	-	-	-	-	27.93	-	-	(142.84)	-	-	-	-	(142.84)	-	-
<b>Total (C)</b>	<b>3630.83</b>	<b>1612.58</b>	<b>480.24</b>	<b>442.30</b>	<b>3.67</b>	<b>1058.72</b>	<b>29.17</b>	<b>4.15</b>	<b>1923.19</b>	<b>1354.18</b>	<b>318.32</b>	<b>216.28</b>	<b>3.70</b>	<b>33.84</b>	<b>(9.29)</b>	<b>6.15</b>
<b>Surplus/ (Deficit) (D) = (A)-(B)-(C)</b>	<b>60.86</b>	<b>132.98</b>	<b>19.51</b>	<b>(74.88)</b>	<b>43</b>	<b>(18.10)</b>	<b>87</b>	<b>5</b>	<b>89.83</b>	<b>95.82</b>	<b>8.60</b>	<b>6.36</b>	<b>52</b>	<b>(22.94)</b>	<b>1.46</b>	<b>1</b>
<b>"Amount transferred from Shareholders' Account (Non-technical Account)"</b>	<b>102.93</b>	-	<b>9.95</b>	<b>74.88</b>	-	<b>18.10</b>	-	-	<b>31.85</b>	-	<b>8.91</b>	-	-	<b>22.94</b>	-	-
<b>Appropriations</b>																
Transfer to Shareholders' Account	159.32	128.52	29.45	-	43	-	87	5	87.95	62.06	17.51	6.37	53	-	1.46	2
Transfer to Balance Sheet	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance being Funds for Future Appropriations	4.46	4.46	-	-	-	-	-	-	33.73	33.73	-	-	-	-	-	-
<b>Total (D)</b>	<b>163.78</b>	<b>132.98</b>	<b>29.45</b>	-	<b>43</b>	-	<b>87</b>	<b>5</b>	<b>121.68</b>	<b>95.79</b>	<b>17.51</b>	<b>6.37</b>	<b>53</b>	-	<b>1.46</b>	<b>2</b>
<b>Details of Total Surplus</b>																
(a) Interim Bonuses Paid	2	2	-	-	-	-	-	-	1	1	-	-	-	-	-	-
(b) Allocation of bonus to Policyholders	24.03	24.03	-	-	-	-	-	-	19.70	19.70	-	-	-	-	-	-
(c) Surplus shown in Revenue Account	60.86	132.98	19.51	(												