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IN THE NEWS

Discoms' dues to gencos rise 37% to ₹1.33L cr in Aug

POWER PRODUCERS' TOTAL dues owed by distribution firms rose over 37% year-on-year to ₹1.33 lakh crore in August 2020, reflecting stress in the sector, reports **PTI**. Distribution companies (discoms) owed a total of ₹96,963 crore to power generation firms in August 2019, according to portal PRAAPTI.

Govt buys 37.92 LT kharif paddy at MSP in last 15 days

THE CENTRE ON Sunday said about 37.92 lakh tonne of kharif paddy worth ₹7,159.39 crore has been purchased at the minimum support price (MSP) from 3.22 lakh farmers in the last 15 days, reports **PTI**. Paddy procurement commenced in Punjab and Haryana from September 26, while in other states from October 1.

Delhi exempts road tax on battery-run vehicles

THE DELHI GOVERNMENT has exempted road tax on battery-operated vehicles under its new Electric Vehicle Policy, Transport Minister Kailash Gahlot said on Sunday, reports **PTI**.

IT'S OFFICIAL

Permanent job options on rise

SHUBHRA TANDON
Mumbai, October 11

- Full-time employment vacancies gaining pace
- 93% of 1.76 lakh openings were for full-time positions in September
- Full-time positions up from 1.50 lakh in June to 1.64 lakh in September
- Festive season demand likely to spur hiring further

THE MOMENTUM IN the job market may have lost some pace in September but the good news is that 93% of the 1.76 lakh positions filled were permanent ones. Full-time hirings numbered 1.64 lakh compared with 1.5 lakh in June, according to data from Xpheno. Employment levels have now moved back all the way to 75% of pre-Covid levels, according to Nicolas Dumoulin, MD, Michael Page India. Page told *FE* the main reason for this is that with companies re-aligning themselves with the new normal, there has been a need for new talent. Also, companies have understood the current conditions will continue for some time. "There's less uncertainty and that has led to more hiring," Dumoulin explained.


ILLUSTRATION: ROHNIT PHORE

Employers who were earlier considering more non-permanent roles, part-time assignments, internships, contractual and also remote-working roles, seem to be more open now to full-time positions. The count of remote working options, for instance, fell to below 2,000 in September from 6,000 in May. As Kamal Karanth, co-founder, Xpheno observed the trend seems to be in favour of full-time roles. "As we go further into Unlock 5.0 in October one should expect the numbers to climb further," Karanth said.

Aditya Narayan Mishra, CEO, CIEL HR Services, said his firm has started recruiting for a host of sectors — manufacturing, engineering and industrials — where jobs have been non-existent for the better part of the year.

Continued on Page 2

COVID TIMES

CPSEs keep normal capex pace intact

Firms stick to trend and meet 30% of FY21capex target in H1; H2 promising as Centre raises annual target by 50% to ₹7.3 lakh crore

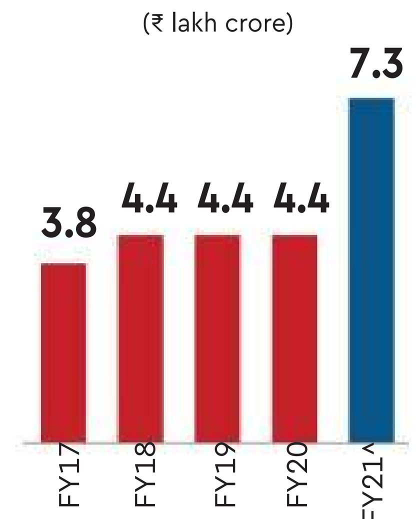
PRASANTA SAHU
New Delhi, October 11

LARGE CENTRAL PUBLIC-SECTOR entities — companies and undertakings — achieved 30% of their capital expenditure (capex) target for FY21 in the first half of the financial year, by spending almost ₹1.5 lakh crore, according to official sources. This is a creditable achievement, as it reflects that these companies have managed to hold on to the capex pace shown in recent years in the first half, despite the Covid-19 shock.

In the last few years, CPSE capex has remained robust; the ratio of capex deployment between the first and second halves of a financial year has been 3:7. Of course, the Centre is putting extra pressure on these entities to speed up capital investments in the current year as it hopes that the slippages on the other investors, including the central and state governments will be offset to a certain extent by the CPSEs/undertakings. The Union finance ministry has already told CPSEs/undertakings that they must achieve 150% of the initial capex target of ₹4.9 lakh crore in FY21.

In H1, CPSEs/ departmental undertakings spend **₹1.5 lakh cr** for capital investments, Coal India meets 50% of annual target

PSE Capex
(₹ lakh crore)



Data of CPSEs and departmental undertakings with annual capex of minimum ₹500 crore
^Finance ministry has revised target to 150% of original estimate of ₹4.9 lakh crore

However, this is going to be a daunting task for these entities. With little additional budget support expected, they will have to scale up borrowings to augment capex. In a market already over-crowded with higher government borrowings, this would prove to be a costly affair.

"The government wants CPSEs to increase capex in the current financial year to boost economic activity," an official said. More than 80% of the capex by these CPSEs and departmental units usually comes from their own surpluses and loans while the balance funds are provided from the Union Budget.

While most entities were trailing the finance ministry's target of 50% of annual target in H1FY21, Coal India was an exception by achieving a little over 50% of its capex plan of ₹10,000 crore for FY21 in April-September.

Among the undertakings, the Railways has the largest investment plan in FY21 with capex target of ₹1.6 lakh crore, followed by the NHAI (₹1.1 lakh crore), ONGC (₹32,502 crore) and IOC (₹26,233 crore).

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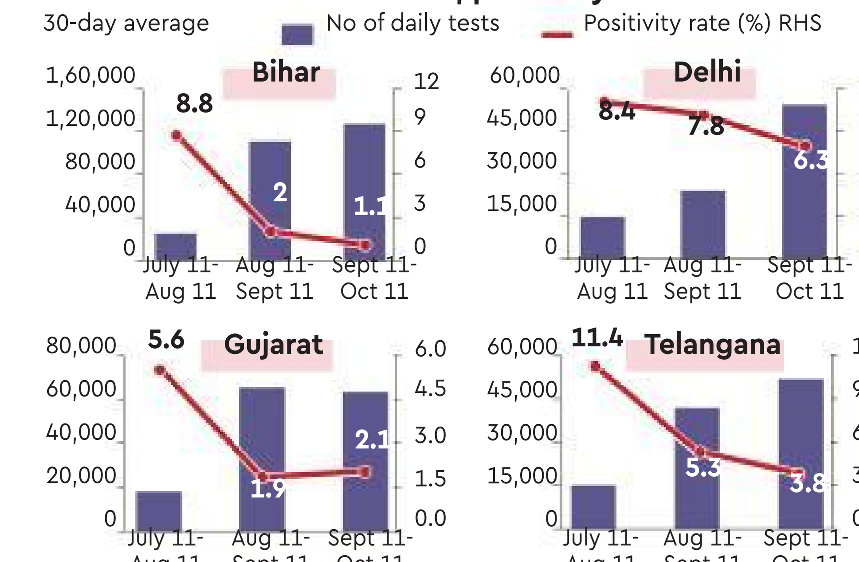
COVID INFECTIONS

Are fresh cases on the decline?

As states test more with RAT, positivity declines
30-day average



Testing trends reveals that heavy RAT influence may be depressing the numbers

ISHAAN GERA
New Delhi, October 11

ON OCTOBER 11, India recorded 74,383 infections, and the country had conducted 10,78,544 tests. Over the last two weeks, starting September 23, India has been conducting more tests, but the daily infections have been falling.

The country's positivity rate — daily cases upon daily tests — which was once trending at a high of 12.6% on September 7, has come down to 6.9%.

India's recovery conundrum

ON SUNDAY, India had seven states with a recovery rate of over 90%. The country also recorded one of the highest recovery rates in the world with a recovery rate of 86.2%. Daily recoveries have been outstripping daily confirmed infections for over three weeks now. ■ Page 2

While this may indicate a slowing down of infection in the country, as India prepares for its second wave, careful analysis of testing data across states shows otherwise.

Continued on Page 2

RECOVERY AFOOT

Exports of 'core' items gather pace

BANIKINKAR PATTANAYAK
New Delhi, October 11

DEFYING EXTERNAL HEADWINDS and a Covid-induced gloom, India's 'core' exports that reflect the economy's competitiveness, grew at their fastest pace in 18 months in September. This suggests a gradual return towards normalcy and brightening of the prospect of an early recovery.

The outbound shipment of core products — goods excluding petroleum and gems & jewellery — grew 11.1%, year-on-year, in September to $21.1 billion, reversing a 3.2% decline in the previous month, according to a preliminary estimate of the commerce ministry. This was double the pace of expansion recorded in February, when Covid-19 was yet to take roots in India.

Meanwhile, overall goods exports grew just 5.3% in September to $27.4 billion, against a 12.7% contraction in August, as per the data from the Directorate General of Commercial Intelligence and Statistics.

Gems and jewellery exports have collpased this fiscal, as a pan-India lockdown and migration of workers from key cities like Surat disrupted operations of most jewellers. This hurt overall merchandise exports.

Fresh pick-up
(% change, y-o-y)

*Goods, excluding petroleum and gems & jewellery
August/September data based on quick/preliminary estimates of the commerce ministry

Exports of rice jumped by more than 92% in September to $346 million, while those of drugs and pharmaceuticals surged by 24.4% to $439 million. These two were the best performing export segments last month. Even core imports were down by only 12.8%, year-on-year, in September to $21.8 billion, compared with a 19.6% fall in overall goods imports to $30.3 billion.

Continued on Page 2

Q2FY21 EARNINGS SEASON

India Inc to see mild recovery, but miles to go

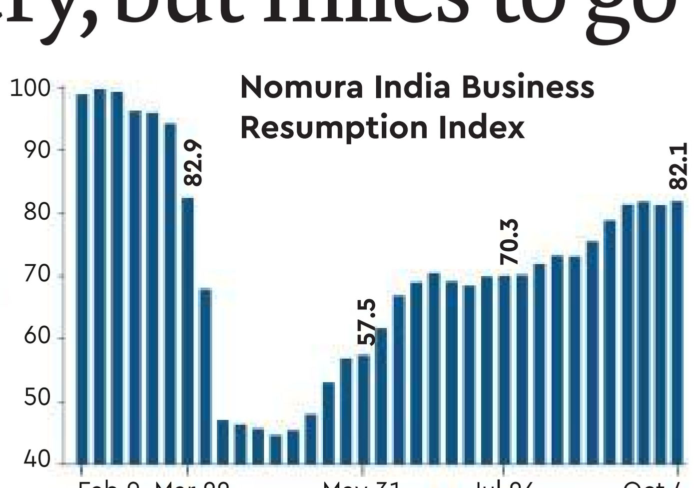
An adverse base effect and a poor show by consumption-driven sectors would be a drag on profits

FE BUREAU
Mumbai,October 11

BSE-30 Index earnings growth (%)

Source: Kotak Institutional Equities estimates

Nomura India Business Resumption Index



Source: Google, Apple, CMIE, Bloomberg & Nomura Global Economics

INDIA INC IS expected to have staged a fairly good recovery in the September quarter after profits plunged 83% year-on-year in Q1FY21, a quarter in which India's GDP contracted 23.5% y-o-y.

The numbers must be viewed against the high base of Q2FY20 when corporate tax rates were cut.

Activity data suggest the economy is on the mend and that the recovery is somewhat faster than anticipated.

Auto sales, railway freight and manufacturing PMI all reflected an uptick in activity in September after a slower pick-up in July and August. Exports rebounded in September, rising 5.3% y-o-y reversing the negative 12.7% y-o-y slide in August; analysts said exports were back at close to 98% of normal levels. However, subdued domestic demand left core imports weak.

Business activity was better in August than in July though the sequential pace of the improvement slowed slightly across the board and there was a drop in the industrial sector.

Continued on Page 2

Economy

EXPERT VIEW

Micro-insurance companies (as well as cooperatives and mutuals) should be allowed to act as composite insurers to transact both life and non-life business through a single entity.

— Report of a committee formed by Irdai

Rollout of Feluda paper strip test expected in few weeks: Vardhan

PRESS TRUST OF INDIA
New Delhi, October 11

UNION HEALTH MINISTER Harsh Vardhan on Sunday said the government has not yet taken a view on granting emergency authorisation to Covid-19 vaccines in India when they become available.

The minister also said the Feluda paper strip test could be rolled out in the next few weeks.

Vaccines are in various stages of human clinical trials, Vardhan told his social media followers on the fifth episode the 'Sunday Samvaad' platform. "Adequate safety and efficacy data is required for emergency use authorisation, vaccine approval for ensuring patient safety. Further course of action will depend on the data generated," he said.

Rejecting speculation that the government is prioritising the young and the working class for the vaccine, he said, "The prioritisation of groups shall be based on two key considerations: occupational hazard and risk of exposure to infection, and the risk of developing severe disease and increased mortality."

Asked how the government plans to roll out the vaccine, he said, "In a huge country like India, it is critical to prioritise vaccine delivery based on various factors such as the risk of exposure, comorbidity among various population groups, and the mortality rate among Covid-19 cases," the minister said.

On the rollout of the Feluda paper strip test, he said the test developed by CSIR-IGIB has been approved by the Drug Controller General of India for a commercial launch.

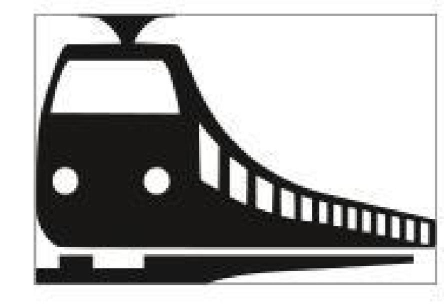
"The kit has already been validated by the Department of Atomic Energy's National Centre for Biological Sciences, Bangalore. While I cannot put an exact date on the availability, we should expect this test within the next few weeks," he said.

Referring to reports of reinfection surfacing in various states, Vardhan said an analysis by the ICMR has revealed that many cases have been misclassified because RT-PCR tests can detect dead virus shed for prolonged periods after recovery.

"Actual reinfection would mean a fully recovered person getting infected by a freshly introduced virus in his/her body, belonging to the same or different strain. ICMR is commissioning a study to understand the true burden of re-infected cases. Results will be shared in a couple of weeks," he said.

Rlys to replace non-AC coaches with AC ones for trains running at 130-160 kmph

FE BUREAU
New Delhi, October 11



THE RAILWAYS HAS decided that trains running on identified routes at a speed of 130 kmph or above on the railway network will have only air-conditioned coaches in the near future.

An official said on Sunday that AC coaches have become a technical necessity wherever the speed of the train is going to be between 130-160 kmph. The national transporter is working on a plan to upscale the railway network to high speed potential. The non-AC coaches, however, will continue to be there in trains running at lower speeds.

The Railways has assured that the ticket prices of such trains will be "affordable", while ensuring that the comfort and conveniences increase manifold and there is substantial reduction in travel time.

Currently on most routes, speeds of mail/express trains have a ceiling of 110 kmph or lower. Premium trains like Rajdhanis, Shatabdis and Durontos are allowed to operate at 120 kmph on significant parts of the Golden Quadrilateral and Diagonals. The rakes for such trains are fit to operate at 130 kmph or above. Presently, only the Delhi-Mumbai, Delhi-Howrah sections are gearing up for this change. The speed potential of some of the corridors have already been upgraded to 130 kmph.

A prototype of such an AC coach is being manufactured at Rail Coach Factory in Kapurthala and should be ready in a few weeks.

"Presently, an 83-berth coach is being designed. It is planned to have 100 such coaches this year and 200 next year. The coaches will be evaluated and experience gained from the running of these coaches will lead to further progress.

The new AC coaches will be economical as their tickets will be priced between AC-3 and sleeper coaches. The coaches are being re-designed by moving the electrical units and removing the space reserved for storing blankets and bed sheets, since Railways will stop providing them due to coronavirus.

From the Front Page

CPSEs keep normal capex pace intact

Capex performance by the CPSEs in the energy sector in April-August indicates they are too struggling to emerge from torpor caused by the lockdown. Among them, a dozen CPSEs in oil-and-gas sector achieved only 25% of their FY21 capex target in April-August this fiscal, compared with 32% of the respective target in the year-ago period, sources said.

CPSEs in other sectors are also facing difficulties in executing projects due to Covid-19 which delayed floating of tenders, addressing technical specification issues, transportation of equipment and travel of technical experts. Arranging finances was also an issue for some CPSEs.

As reported by *FE* earlier, while revenue constraints led to a slowing of capital expenditure by state governments in FY20, the CPSEs owned by it largely held the fort. The combined capital expenditure by the CPSEs with annual capex budgets above ₹500 crore turned out to be ₹4.41 lakh crore or 90% of the target in FY20.

With private investments in the doldrums, gross fixed capital formation (GFCF), which was 31.1% of the gross domestic product (GDP) in FY15, declined to 29.8% in FY20. The fall would have been sharper had the CPSEs not acquitted themselves well.

In recent years, public capex has been roughly in the 5:5.5:3.5 ratio among the CPSEs, states (budget) and the Centre (budget).

With net tax revenue declining by about 30% on year in April-August of this fiscal, the Centre's budgetary capex declined 1.3% as against a required growth rate of 22% to achieve the full year capex target. The decline in budgetary capex was a steep 21% on year in August, reflecting efforts by the government to contain the yawning fiscal deficit.

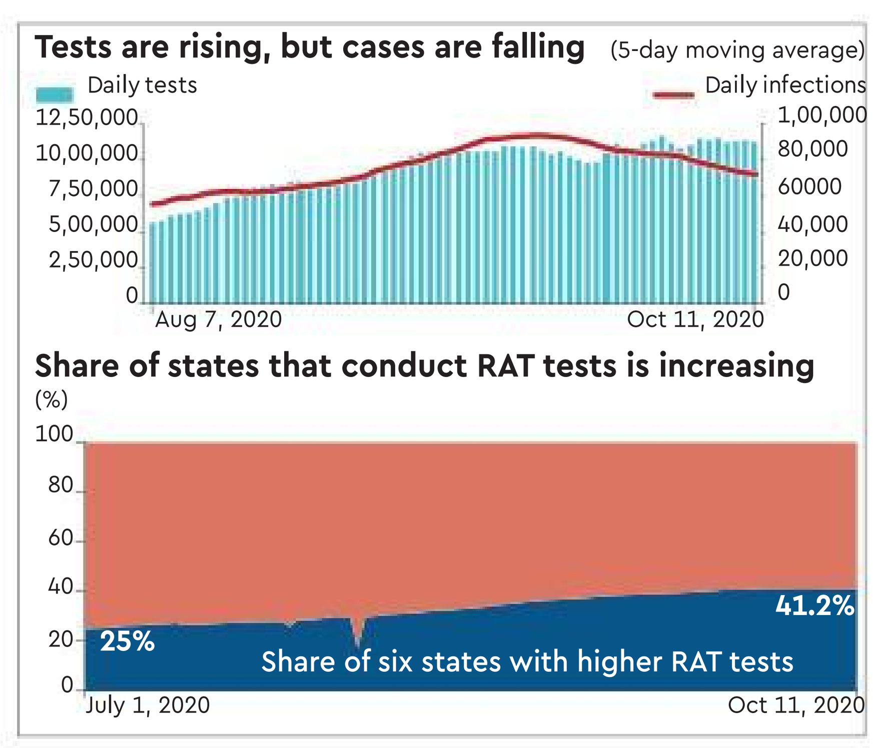
Analysts see the Centre's fiscal deficit doubling from the budgeted level of ₹8 lakh crore for FY21, even for maintaining the budgeted level of spending.

Data reviewed by FE for ten states — Madhya Pradesh, Andhra Pradesh, Karnataka, Odisha, Telangana, Kerala, Chattisgarh, Haryana, Jharkhand and Himachal Pradesh — showed that their combined capex declined 19% on year in April-July of FY21.

Are fresh cases on the decline?

While testing certainly has increased to 11 lakh tests a day levels, India has been testing more using the rapid antigen tests, which detect lower infections.

The government does not provide a breakup between RT-PCR and RAT tests, but this can be gauged from the share of states that rely on RAT tests increasing overtime.



Bihar, where over 90% of the daily tests are done using RAT tests, has increased its share from 7.4% on September 1 to 9.6% today. Similarly, Delhi, where RAT accounts for 80% of all tests, has increased its share from 3.7% to 4.1% during the same period. Gujarat's share has gone up from 5.4 to 5.7%, whereas Odisha's share has jumped from 4.1 to 4.3%. In fact, states using more RAT now account for 41.2% of India's total tests, a jump from 36.6% on September 1 and 29% on August 1.

Meanwhile, the positivity rate in the states relying heavily on RAT has tumbled. On Friday, while Bihar conducted 1,06,817 tests, it had only found 1,170 people positive. In the case of Gujarat, the positivity rate was also a low 2.4%.

On the other hand, Tamil Nadu, which relies entirely on RT-PCR, the positivity was 5.7%.

Moreover, the share of states like Tamil Nadu and Maharashtra, which rely more on RT-PCR has declined in the total tests. On September 1, Maharashtra accounted for 9.6% of the country's corona tests, whereas today it accounts for just 8.7%. Tamil Nadu's share has fallen from 11.1% to 9.5%.

Even among states where the share has stayed constant reliance on antigen tests has increased. In Kerala, for instance, only half of the 14,137 samples collected on September 1 were using RAT, on Sunday, 47,529 or 72% of total samples accounted for RAT.

Thus, it may be too early to celebrate India's victory over corona or declaring India to be over the curve.

India's recovery conundrum

For the week ending Sunday, India recorded 5,21,860 recoveries as against 5,04,433 infections.

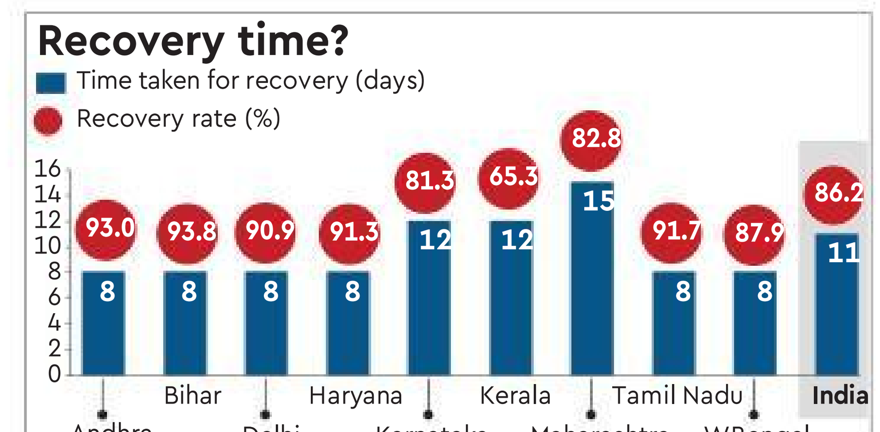
Although a high recovery rate and more recoveries than infections indicate that the worst is over, in India's case the data on coronavirus recoveries look dodgy.

A major reason for this may be the states not testing coronavirus infected individuals again to confirm that they have fully recovered. While the WHO stipulates that it usually takes a person two weeks to recover, Indian states are showing a recovery in fewer days.

An analysis of state-level data on recoveries indicates that the states with over 90% recovery rates are also the ones that are recording a recovery within eight days. So, it takes eight days for a person to recover in Delhi, and the city has a recovery rate of 90.9%. Similarly, while it takes a similar number of days for people to recover in Bihar and Haryana, both have a high recovery rate of 93.8% and 91.3%, respectively.

Ironically, the rates of recovery vary across the country. Maharashtra, for instance, has an average recovery time of 15 days and has a lower recovery rate of 82.8%. Similarly, the average recovery time in Karnataka is 12 days, and it has a lower recovery rate of 81.3%.

Overall, India takes 11 days to recover.



Exports of 'core' items pick up pace

While these are still early days, the rebound in core exports in September points at a potential pick-up in external demand in the build-up to the crucial Christmas season, when orders from the key western markets — the US and the UK — flow in large volumes. Of course, some pent-up demand and despatches against orders firmed up before the pandemic may also have contributed to the decent rise. Nevertheless, these are encouraging signs, analysts concur.

Aurodeep Nandi, India economist at Nomura, told *FE*: "Apart of the recovery that we observe, not just in exports but also imports, is explained by the inevitable normalisation back to pre-pandemic activity levels as the pandemic curve flattens and lockdowns get relaxed. The phenomenon of recovery in core exports outpacing that of core imports is indicative of the chasm between external demand and the more sluggish domestic demand".

Nandi said Nomura's leading index for exports in Asia (ex-Japan) has been rising in the past four consecutive months, indicative of improving global outlook. "Nevertheless some caution is warranted — new waves of Covid-19, eventual ebbing of pent-up demand, and uncertainty around global trade tensions, have the potential of materialising as stiff headwinds," he added.

Already, presenting a less gloomy picture, the World Trade Organisation this month expected global merchandise trade to fall by 9.2% in 2020 from last year, compared with the 12.9% drop projected in April. This will augur well for India's trade as well.

However, the multilateral trade body noted that downside risks remain if resurging outbreaks of Covid-19 stall economic recovery. Also, it trims its global trade growth forecast for 2021 to just 7.2% from a strong rebound of 21.3% it had predicted earlier.

India's exports had witnessed a record 61% crash in April in the wake of the lockdown, although the contraction subsequently narrowed to 12.7% in August.

India Inc to see mild recovery but miles to go

Nonetheless, Nomura's India Business Resumption Index (NIBRI) rose to a new post-lockdown high of 82.3 for the week ending September 20. Economists at the brokerage observed the mobility-driven surge in the NIBRI suggested lockdown fatigue was causing consumers to disregard pandemic concerns. They estimate GDP would have contracted by 10.4% y-o-y in Q2FY21.

Retailing, capital goods, consumer durables, real estate and healthcare would have been the worst hit while IT services electric utilities, consumer staples and pharmaceuticals would have fared relatively well. While a section of the bigger and stronger companies would likely have bounced back, many others would have struggled to stay afloat. CRISIL's credit ratio (upgrades to downgrades) for H1FY21 at 0.54 is the lowest in more than a decade. The agency pointed out that the credit ratio was cushioned to some extent by regulatory support and that corporate credit profiles remain vulnerable even as demand claws back amid a raging Covid-19 pandemic.

The rural economy appears to be relatively more robust than the urban economy thanks to the higher allocations for employment guarantee schemes, larger fiscal spends, a reasonably good rabi harvest and a spike in waged until May. Agricultural wages rose 5.1% y-o-y in May vs approximately 4.0% in March, while non-agricultural rural wages grew sharply by 8.3% compared with 4.0% (April data unavailable due to lockdown). Real rural wages (agri and non-agri consolidated) continued to contract, although improving to -1.5% y-o-y vs -4.6% in March. Whether wages increased or fell post May isn't clear but it's possible they have plateaued since migrant workers have been returning to their place of work. Experts point out a good part of the demand momentum stems from pent-up purchases and that much of this could peter out post the festive season or by end-December. Also much of the revival is understood to have taken place in the formal sector with some purchases having even shifted to it from the informal sector; this is because smaller enterprises and units in the informal sector have been unable to resume operations post the lockdown.

Permanent job options on rise

"COMPANIES IN THE field of education technology, financial technology, healthcare technology, IT product companies which are leveraging technology, FMCG, pharma and life sciences and logistics, are recruiting, Mishra said.

The expected festive season demand is also driving firms that provide essential services and logistics to hire for sales and supply chain roles. "E-retailers are hiring staff to man their warehouses and also delivery boys," Mishra said.

As has been happening for some time now, businesses are becoming more digitised and automated. Consequently the demand for IT professionals has been increasing. In addition, there is an increasing requirement for legal professionals, with positions being filled up now that there's more confidence in the economy.

However, even as companies add manpower, Karanth points out businesses are hiring less at senior levels. "The change in the level mix suggests enterprises are optimising their workforce to keep it light at the top. Some of the larger players continue to prune the top layers and are not filling the vacancies," he said.

Over 34% of openings in September were entry-level opportunities, 30% were for-middle to junior roles and 14% for the mid-senior category. A large fall in counts were seen in senior level openings. To be sure, as Dumoulin observed, there are also opportunities at senior management levels in spaces such as private equity or companies that are foraying into new businesses. Sectors such as aviation, hospitality and entertainment, however, are seeing no hiring at all.

SVAMITVA SCHEME

PM launches property-card scheme for rural households

PRESS TRUST OF INDIA
New Delhi, October 11

Prime Minister Narendra Modi during the launch of the physical distribution of property cards under the SVAMITVA scheme, via video conferencing, in New Delhi on Sunday PTI

PRIME MINISTER NARENDRA Modi on Sunday launched the physical distribution of property cards under the 'SVAMITVA' (ownership) scheme via video conferencing, and asserted that it is a "historic move" that will transform rural India.

This would pave the way for villagers to use property as a financial asset for taking loans and other financial benefits, and end disputes among villagers over land ownership, he said.

On the occasion, Modi also interacted with several beneficiaries of the Survey of Villages and Mapping with Improvised Technology in Village Areas (SVAMITVA) scheme and said it is a big step for the country towards becoming *aatmanirbhar* (self-reliant).

Experts across the world have stressed that property ownership rights play a big role in a country's development, he said to highlight the significance of the measure and noted that only one-third population globally has legal record of the properties they own.

The youth living in villages now can avail of bank loans against their properties to start out on their own, he said, asserting that it is necessary for a developing country like India to have clear land ownership rights.

Property rights will give the youth self-confidence that can lead to their self-reliance, he said.

The beneficiaries are from 763 villages across six states, including 346 from Uttar Pradesh, 221 from Haryana, 100 from Maharashtra, 44 from Madhya Pradesh, 50 from Uttarakhand and two from Karnataka.

Modi said his government will try to give every household similar property cards over the next three-four years.

The Prime Minister's Office (PMO) has said the launch will enable around one lakh property holders to download their property cards through an SMS link sent on their mobile phones, and this would be followed by the physical distribution of property cards by respective state governments.

The prime minister spoke against the backdrop of the pictures of socialist icon Jayaprakash Narayan and RSS stalwart Nanaji Deshmukh, both of whom have their birth anniversary on Sunday, and recalled their ideals of village empowerment.

Noting that Deshmukh had observed that when villagers remain trapped in disputes, neither will they be able to develop themselves nor the society, Modi said he believed the ownership will become a great medium to end many disputes in villages. He said an unprecedented level of development has taken place in villages over the last six years, which never happened in the preceding six decades.

Discoms' outstanding dues to power gencos rise 37% to ₹1.33 lakh cr in August

PRESS TRUST OF INDIA
New Delhi, October 11

POWER PRODUCERS' TOTAL dues owed by distribution firms rose over 37% year-on-year to ₹1.33 lakh crore in August 2020, reflecting stress in the sector.

Distribution companies (discoms) owed a total of ₹96,963 crore to power generation firms in August 2019, according to portal PRAAPTI (Payment Ratification And Analysis in Power procurement for bringing Transparency in Invoicing of generators).

The portal was launched in May 2018 to bring in transparency in power purchase transactions between the generators and discoms.

In August 2020, the total overdue amount, which was not cleared even after 45 days of grace period offered by generators, stood at ₹1,20,439 crore, as against ₹78,646 crore in the year-ago period.

According to the latest data on the portal, total outstanding dues in August increased on month-on-month basis as well. In July 2020, total outstanding dues of discoms stood at ₹1,30,452 crore.

The overdue amount in August 2020 has increased from ₹1,17,637 crore in July 2020.

Power producers give 45 days to discoms for paying bills for the supply of electricity. After that, outstanding dues become overdue and generators charge penal interest on that in most cases.

In order to give relief to power generation companies (gencos), the Centre enforced a payment security mechanism from August 1, 2019. Under this mechanism, discoms are required to open letters of credit for getting power supply.

The central government had also given some breathers to discoms for paying dues to power generating companies (gencos) in view of Covid-19-induced lockdown. The government had also waived the penal charges for late payment of dues in the directive.

In May, the government announced ₹90,000-crore liquidity infusion for discoms under which these utilities would get loan at economical rates from Power Finance Corporation (PFC) and REC. This was an initiative of the government to help gencos to remain afloat. Later the liquidity infusion package was increased to ₹1.2 lakh crore.

FOREX, GOLD RESERVES MANAGEMENT

RBI to move to next generation treasury application

PRESS TRUST OF INDIA
New Delhi, October 11

TO IMPROVE ITS functioning, the Reserve Bank has decided to move to the Next Generation Treasury Application (NGTA) for managing the country's foreign exchange and gold reserves.

The NGTA, according to the RBI, would be a web-based application providing scalability, maneuverability and flexibility to introduce new products and securities, besides supporting multi-currency transactions and settlements.

The NGTA, for which the RBI has invited bids from eligible vendors, would be supporting various transactions in asset classes like Fixed Income (FI), Forex (FX), Money Market (MM) and Gold.

"RBI proposes to implement the NGTA which would be used for managing the foreign exchange reserves in a more efficient way, mitigate risk, achieve operational efficiencies, dealing in various asset classes and reporting," the bid document said.

The RBI said the objectives of the proposed system includes, dealing in various asset classes (like Fixed Income Securities, Forex, Money Market, Gold); portfolio management; workflow management; reserve management; integration with various third party and in-house systems; and dashboards, reports, widgets.

Besides other things, the propose NGTA should automatically fetch all the relevant details of a security/contract from a trading platform. It should support all internationally accepted conventions pertaining to day count, interest computation, holiday logic, shut period-dividend, ex-dividend, cash flows, and odd coupon.

GST Council to discuss compensation issue for third time in a row today

THE GST COUNCIL in its meeting on Monday is likely to discuss the suggestion of non-BJP-ruled states of setting up a ministerial panel to develop consensus on the issue of compensation, sources said.

The Council, chaired by Union finance minister Nirmala Sitharaman and comprising of state finance ministers, will for the third time in a row discuss the issue of funding the shortfall of GST revenue of states. While some opposition-ruled states are demanding that a Group of Ministers be set up to arrive at a decision on the mechanism for funding compensation shortfall, BJP-ruled states, which have already opted for the borrowing option given by the Centre, are of the view that they should be given a go-ahead so that they can get money quickly. **—PTI**

Promoter shareholding in Eveready falls below 5% for first time

MITHUN DASGUPTA
Kolkata, October 11

PROMOTER SHAREHOLDING IN dry cell battery major Eveready Industries, the flagship firm of the Williamson Magor group, has fallen below 5% for the first time, with banks and financial institutions continuing to invoke and sell pledged shares for recovery of dues from debt-ridden group companies.

The Khaitans, promoters of Eveready, held a 27.39% equity stake at the end of the third quarter last fiscal. After Vistra ITCL (India), the largest independent corporate trustee in the country, invoked 17,00,000 equity shares on October 7, promoter shareholding in the firm now stands at 4.92% from the earlier 7.26%.

In a stock exchange filing last Friday, Williamson Financial Services, an investments company of the Kolkata-based group, said Vistra ITCL (India) had invoked 7,20,000 equity shares of Eveready held by it. Another holding firm, Babcock Borsig, said 9,80,000 equity shares held by it were invoked from pledge by Vistra.

Vistra said it has invoked the equity shares in its capacity as a security trustee against the term loan facility availed by Williamson Financial Services, and as debenture trustee for the NCDs issued by Babcock Borsig. It has sold 8,96,906 invoked shares against the term loan facility availed by Williamson Financial Services.

The Burman family, the promoters of Dabur, are currently the single-largest shareholder of Eveready. The family acquired additional equity stake of 8.48% in the battery maker from open market operations in July, taking its holding in the firm to 19.84%.

Last month, responding to shareholders' queries during Eveready's annual general meeting, managing director Amritanshu Khaitan said, "They (Burmans) have publicly mentioned that they found value in your company and thereby they have taken a position in the company. We value their investment as a shareholder ... we value that they see value in your company and thereby they invest here."

Mohit Burman, vice chairman, Dabur India, had termed it a portfolio investment by the Burman family. "It's a personal investment and is not connected with Dabur India," he had said.

The Khaitan family currently has two board seats in the company after group patriarch BM Khaitan resigned from the board of directors effective April 25, 2019. He passed away on June 1, 2019. The Burmans do not have a seat on the board at present.

THIS IS A PUBLIC ANNOUNCEMENT FOR INFORMATION PURPOSES ONLY AND DOES NOT CONSTITUTE AN INVITATION OR OFFER TO ACQUIRE, PURCHASE OR SUBSCRIBE TO SECURITIES NOR IS IT A PROSPECTUS ANNOUNCEMENT. NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, OUTSIDE INDIA. THIS IS NOT AN ADVERTISEMENT UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (MUTUAL FUNDS) REGULATIONS, 1996 AND IS NOT INTENDED TO INFLUENCE INVESTMENT DECISIONS OF ANY CURRENT OR PROSPECTIVE INVESTORS OF THE SCHEMES OF UTI MUTUAL FUND.

uti

UTI Mutual Fund

UTI Asset Management Company Limited

UTI Asset Management Company Limited (our "**Company**") was incorporated as 'UTI Asset Management Company Private Limited', a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated November 14, 2002 issued by the Registrar of Companies, Maharashtra at Mumbai (the "**RoC**"). Subsequently, pursuant to a special resolution approved at the Annual General Meeting on September 18, 2007, our Company was converted into a public limited company and consequently the name of our Company was changed to 'UTI Asset Management Company Limited' and a fresh certificate of incorporation dated November 14, 2007 was issued by the RoC. For details in relation to changes in the name and the registered office of our Company, see *"History and Certain Corporate Matters"* beginning on page 187 of the Prospectus dated October 3, 2020 ("**Prospectus**") filed with the RoC and thereafter with Securities and Exchange Board of India ("**SEBI**"), BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**", and together with BSE, the "**Stock Exchanges**").

Registered and Corporate Office: UTI Tower, 'Gn' Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, India. Tel: +91 22 6678 6666

Contact Person: Arvind Patkar, Company Secretary and Compliance Officer; **E-mail**: cs@uti.co.in; **Website**: https://www.utimf.com; **Corporate Identity Number**: U65991MH2002PLC137867

OUR COMPANY IS A PROFESSIONALLY MANAGED COMPANY AND DOES NOT HAVE AN IDENTIFIABLE PROMOTER

Our Company has filed the Prospectus with the RoC on October 3, 2020 and the Equity Shares are proposed to be listed on NSE and BSE and the trading is expected to commence on October 12, 2020.

BASIS OF ALLOTMENT

INITIAL PUBLIC OFFER OF 38,987,081 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (THE "EQUITY SHARES") OF UTI ASSET MANAGEMENT COMPANY LIMITED (OUR "COMPANY") FOR CASH AT A PRICE OF ₹ 554 PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ 544 PER EQUITY SHARE) AGGREGATING TO ₹ 21,598.84 MILLION (THE "OFFER") THROUGH AN OFFER FOR SALE OF 10,459,949 EQUITY SHARES AGGREGATING TO ₹ 5,794.81 MILLION BY STATE BANK OF INDIA ("SBI"), OF 10,459,949 EQUITY SHARES AGGREGATING TO ₹ 5,794.81 MILLION BY LIFE INSURANCE CORPORATION OF INDIA ("LIC"), OF 10,459,949 EQUITY SHARES AGGREGATING TO ₹ 5,794.81 MILLION BY BANK OF BARODA ("BOB"),OF 3,803,617 EQUITY SHARES AGGREGATING TO ₹ 2,107.20 MILLION BY PUNJAB NATIONAL BANK ("PNB") AND OF 3,803,617 EQUITY SHARES AGGREGATING TO ₹ 2,107.20 MILLION BY T. ROWE PRICE INTERNATIONAL LTD ("TRP" AND TOGETHER WITH SBI, LIC, BOB AND PNB, THE "SELLING SHAREHOLDERS"). THE OFFER INCLUDED A RESERVATION OF 200,000 EQUITY SHARES (CONSTITUTING 0.16% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY) FOR PURCHASE BY ELIGIBLE EMPLOYEES (THE "EMPLOYEE RESERVATION PORTION"). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER CONSTITUTES 30.75% AND 30.59% OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL, RESPECTIVELY. THE OFFER PRICE IS ₹ 554 PER EQUITY SHARE AND IS 55.4 TIMES OF THE FACE VALUE OF THE EQUITY SHARES. THE ANCHOR INVESTOR OFFER PRICE IS ₹ 554 PER EQUITY SHARE.

OFFER PRICE: ₹ 554 PER EQUITY SHARE OF FACE VALUE OF ₹ 10 EACH
ANCHOR INVESTOR OFFER PRICE: ₹ 554 PER EQUITY SHARE
THE OFFER PRICE IS 55.40 TIMES THE FACE VALUE OF THE EQUITY SHARES

RISKS TO INVESTORS:

- The seven Book Running Lead Managers ("BRLMs") associated with the Offer have handled 30 public issues in the past three years out of which 10 public issues closed below the issue price on listing date.
- Weighted Average Return on Net Worth for financial years 2018, 2019 and 2020 is 12.02%.
- The Net Asset Value per Equity Share of our Company as on March 31, 2020 is ₹ 217.88 and as on June 30, 2020 is ₹ 223.60.
- Average cost of acquisition of the Equity Shares by the Selling Shareholders offered in the Offer ranges from ₹ 99.76 per Equity Share to ₹ 200.43 per Equity Share

BID/ OFFER PERIOD:
OPENED ON: TUESDAY, SEPTEMBER 29, 2020
CLOSED ON : THURSDAY, OCTOBER 1, 2020
ANCHOR INVESTOR BIDDING DATE WAS : MONDAY, SEPTEMBER 28, 2020

The Offer was made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended, read with Regulation 31 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "**SEBI ICDR Regulations**"). This Offer has been made through the Book Building Process and in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Net Offer was available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**", the "**QIB Portion**"). Our Company and the Selling Shareholders, in consultation with the BRLMs, have allocated up to 60% of the QIB Portion to Anchor Investors on a discretionary basis (the "**Anchor Investor Portion**"), out of which one-third was reserved for domestic Mutual Funds, subject to valid Bids having been received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) was made available for allocation on a proportionate basis to Mutual Funds only, and the Net QIB Portion was made available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids having been received at or above the Offer Price. Further, not less than 15% of the Net Offer was made available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer was made available for allocation to Retail Individual Bidders ("**RIBs**") in accordance with the SEBI ICDR Regulations, subject to valid Bids having been received at or above the Offer Price. Further, Equity Shares were made available for allocation on a proportionate basis to Eligible Employees who applied under the Employee Reservation Portion, subject to valid Bids received from them at or above the Offer Price. All Bidders, other than Anchor Investors, were required to mandatorily utilise the Application Supported by Blocked Amount ("**ASBA**") process, providing details of their respective bank accounts (including UPI ID in case of RIBs in which the Bid Amount was blocked by the SCSBs or the Sponsor Bank, as the case may be, to participate in the Offer. Anchor Investors were not permitted to participate in the Offer through the ASBA process. For details, see "*Offer Procedure*" beginning on page 392 of the Prospectus.

The bidding for Anchor Investors opened and closed on September 28, 2020. The Company received 67 applications from 33 anchor investors for 12,542,121 equity shares. The Anchor investor price was finalized at ₹ 554 per Equity Share. A total of 11,636,124 shares were allocated under the Anchor Investor Portion aggregating to ₹ 6,446,412,696.

The Offer (excluding Anchor Investor Portion) received 762,139 applications for 57,728,511 Equity Shares (prior to technical rejections) resulting in 2.11 times subscription. The details of the applications received in the Offer from various categories are as under (before technical rejections):

Sr. No.	Category	No. of Applications	No. of Equity Shares applied	Equity Shares Reserved as per Prospectus	No. of times Subscribed	Amount (Rs.)
A	Retail Individual Bidders	759,820	27,754,839	13,575,479	2.04	15,385,513,260.00
B	Non Institutional Bidders	988	3,353,994	5,818,062	0.58	1,859,890,383.00
C	QIBs (Excluding Anchor Investors)	52	26,399,844	7,757,416	3.40	14,625,447,588.00
E	Eligible Employees	1,279	219,834	200,000	1.10	121,830,723.00
	Total	**762,139**	**57,728,511**	**27,350,957**	**2.11**	**31,992,681,954.00**

Final Demand

A summary of the final demand as per BSE and NSE as on the Bid/Offer Closing Date as at different Bid prices is as under:

Sr. No.	BID PRICE	BIDS QUANTITY	(%) TOTAL	Cumulative Total	% Cumulative Total
1	552	502,362	0.78	502,362	2.01
2	553	287,982	0.45	790,344	3.16
3	554	39,662,028	61.32	40,452,372	161.71
4	CUTOFF	24,225,642	37.46	25,015,986	100.00
	TOTAL	**64,678,014**	**100.00**		

The Basis of Allotment was finalized in consultation with the Designated Stock Exchange, being NSE on October 7, 2020.

A. Allotment to Retail Individual Bidders (after technical rejections) (including ASBA Applications)

The Basis of Allotment to the Retail Individual Bidders, who have Bid at the Cut-Off Price or at the Offer Price of ₹ 554 per Equity Share, was finalized in consultation with NSE. This category has been subscribed to the extent of 1.829162 times. The total number of Equity Shares Allotted in this category is 14,613,369* Equity Shares to 541,235 successful Retail Individual Bidders. The category-wise details of the Basis of Allotment are as under:

Category	No. of Applications Received	% of Total	Total No. of Equity Shares applied	% to Total	No. of Equity Shares allotted per applicant	Ratio	Total No. of Equity Shares allotted
27	656,487	89.61	17,725,149	66.31	27	871 : 1179	13,094,649
54	37,274	5.09	2,012,796	7.53	27	263 : 356	743,499
81	10,780	1.47	873,180	3.27	27	82 : 111	215,028
108	6,753	0.92	729,324	2.73	27	82 : 111	134,703
135	4,358	0.59	588,330	2.20	27	82 : 111	86,940
162	2,219	0.30	359,478	1.34	27	82 : 111	44,253
189	2,077	0.28	392,553	1.47	27	82 : 111	41,418
216	1,002	0.14	216,432	0.81	27	82 : 111	19,980
243	345	0.05	83,835	0.31	27	82 : 111	6,885
270	2,407	0.33	649,890	2.43	27	82 : 111	48,006
297	313	0.04	92,961	0.35	27	82 : 111	6,237
324	599	0.08	194,076	0.73	27	82 : 111	11,934
351	8,012	1.09	2,812,212	10.52	27	82 : 111	159,813
					1	3 : 7031	24
TOTAL	**732,626**	**100.00**	**26,730,216**	**100.00**			**14,613,369**

* Includes spillover of 1,037,890 Equity Shares from NIB Category and Employee Category

Please Note: 1 additional Share shall be allotted to 24 Allottees from amongst 56,248 Successful Applicants from the categories 54-351 (i.e. excluding successful applicants from Category 27) in the ratio of 3 : 7031

B. Allotment to Non-Institutional Bidders (After Technical Rejections)

The Basis of Allotment to the Non-Institutional Bidders, who have Bid at the Offer Price of ₹ 554 per Equity Share, was finalized in consultation with NSE. The Non-Institutional Portion has been subscribed to the extent of 0.568112 times. The total number of Equity Shares Allotted in this category is 3,306,042* Equity Shares to 934 successful Non- Institutional Bidder. The category-wise details of the Basis of Allotment are as under: (Sample)

Category	No. of Applications Received	% of Total	Total No. of Equity Shares applied	% to Total	No. of Equity Shares allotted per applicant	Ratio	Total No. of Equity Shares allotted
378	309	33.08	116,802	3.53	378	1 : 1	116,802
405	55	5.89	22,275	0.67	405	1 : 1	22,275
432	15	1.61	6,480	0.20	432	1 : 1	6,480
459	8	0.86	3,672	0.11	459	1 : 1	3,672
21681	1	0.11	21,681	0.66	21681	1 : 1	21,681
22545	1	0.11	22,545	0.68	22545	1 : 1	22,545
27000	2	0.21	54,000	1.63	27000	1 : 1	54,000
27054	1	0.11	27,054	0.82	27054	1 : 1	27,054
30915	1	0.11	30,915	0.94	30915	1 : 1	30,915
36099	3	0.32	108,297	3.28	36099	1 : 1	108,297
41526	1	0.11	41,526	1.26	41526	1 : 1	41,526
63180	1	0.11	63,180	1.91	63180	1 : 1	63,180
66771	1	0.11	66,771	2.02	66771	1 : 1	66,771
72198	1	0.11	72,198	2.18	72198	1 : 1	72,198
75600	1	0.11	75,600	2.29	75600	1 : 1	75,600
87939	2	0.21	175,878	5.32	87939	1 : 1	175,878
90234	3	0.32	270,702	8.19	90234	1 : 1	270,702
126333	1	0.11	126,333	3.82	126333	1 : 1	126,333
180495	1	0.11	180,495	5.46	180495	1 : 1	180,495
229986	1	0.11	229,986	6.96	229986	1 : 1	229,986
234657	1	0.11	234,657	7.10	234657	1 : 1	234,657

* Excludes unsubscribed portion of 2,513,306 Equity Shares spilled over to Retail and QIB Categories in the ratio of 35:50.

C. Allotment to QIBs (excluding Anchor Investors)

Allotment to QIBs, who have Bid at the Offer Price of ₹ 554 per Equity Share, has been done on a proportionate basis in consultation with NSE. This category has been subscribed to the extent of 2.853519 times of QIB Portion. As per the SEBI ICDR Regulations, Mutual Funds were Allotted 5% of the Equity Shares of QIB Portion available i.e. 462,006 Equity Shares and other QIBs including Mutual Funds were Allotted the remaining available Equity Shares i.e. 8,778,110 Equity Shares on a proportionate basis. The total number of Equity Shares Allotted in the QIB Portion is 9,240,116* Equity Shares, which were allotted to 51 successful QIB Bidders. The category-wise details of the Basis of Allotment are as under:

Category	FIs	FPIs	IC	MFs	Others	Total
QIB	6,112	3,419,454	1,169,288	2,190,583	2,454,679	**9,240,116**

* Includes spilled over of 1,482,700 Equity Shares from Non-Institutional Bidder ("**NIB**") Category and Employee Category.

D. Allotment to Anchor Investors

The Company and the Selling Shareholders, in consultation with the BRLMs, have allocated 11,636,124 Equity Shares to 33 Anchor Investors (through 67 Anchor Investor Application Forms) at the Anchor Investor Offer Price of ₹ 554 per Equity Share in accordance with the SEBI ICDR Regulations. This represents 60% of the QIB Portion.

Category	AIF	MF	FPI	IC	Total
Anchor	630,477	7,852,154	2,252,935	900,558	11,636,124

E. Eligible Employees Reservation Portion (After Technical Rejections)

The Basis of Allotment to the Eligible Employees under Employees Reservation Portion, who have bid at cut-off or at the Offer Price of ₹ 554 per Equity Share, was finalized in consultation with NSE. This category has been subscribed to the extent of 0.957150 times. The total number of Equity Shares Allotted in Employees Reservation category is 191,430* Equity Shares to 800 successful applicants. The category-wise details of the Basis of Allotment are as under:

Category	No. of Applications Received	% of Total	Total No. of Equity Shares applied	% to Total	No. of Equity Shares allotted per applicant	Ratio	Total No. of Equity Shares allotted
27	150	18.75	4,050	2.12	27	1 : 1	4,050
54	100	12.50	5,400	2.82	54	1 : 1	5,400
81	40	5.00	3,240	1.69	81	1 : 1	3,240
108	77	9.63	8,316	4.34	108	1 : 1	8,316
135	22	2.75	2,970	1.55	135	1 : 1	2,970
162	33	4.13	5,346	2.79	162	1 : 1	5,346
189	33	4.13	6,237	3.26	189	1 : 1	6,237
216	15	1.88	3,240	1.69	216	1 : 1	3,240
243	6	0.75	1,458	0.76	243	1 : 1	1,458
270	36	4.50	9,720	5.08	270	1 : 1	9,720
297	11	1.38	3,267	1.71	297	1 : 1	3,267
324	12	1.50	3,888	2.03	324	1 : 1	3,888
351	153	19.13	53,703	28.05	351	1 : 1	53,703
378	8	1.00	3,024	1.58	378	1 : 1	3,024
405	7	0.88	2,835	1.48	405	1 : 1	2,835
432	2	0.25	864	0.45	432	1 : 1	864
459	2	0.25	918	0.48	459	1 : 1	918
486	3	0.38	1,458	0.76	486	1 : 1	1,458
513	3	0.38	1,539	0.80	513	1 : 1	1,539
540	12	1.50	6,480	3.39	540	1 : 1	6,480
567	1	0.13	567	0.30	567	1 : 1	567
621	2	0.25	1,242	0.65	621	1 : 1	1,242
648	1	0.13	648	0.34	648	1 : 1	648
675	3	0.38	2,025	1.06	675	1 : 1	2,025
702	3	0.38	2,106	1.10	702	1 : 1	2,106
729	4	0.50	2,916	1.52	729	1 : 1	2,916
810	4	0.50	3,240	1.69	810	1 : 1	3,240
864	2	0.25	1,728	0.90	864	1 : 1	1,728
891	55	6.88	49,005	25.60	891	1 : 1	49,005
TOTAL	**800**	**100.00**	**191,430**	**100.00**			**191,430**

* Excludes unsubscribed portion of 8,570 Equity Shares spilled over to QIB, NIB and Retail Categories in the ratio of 50:15:35 [i.e. 4,285 Equity Shares spilled over to QIB category, 1,286 Equity Shares spilled over to NIB category and 2,999 Equity Shares spilled over to Retail Category].

The IPO Committee of our Company on October 8, 2020 has taken on record the Basis of Allotment of Equity Shares approved by the Designated Stock Exchange, being NSE and has allotted the Equity Shares to various successful Bidders. The Allotment Advice cum Refund Intimation has been mailed to Investors who have registered their email IDs with depositories. The Investors who have not registered their email IDs with depositories have been sent the Allotment Advice cum Refund Intimation through post. Further, the instructions to the Self Certified Syndicate Banks for unblocking of funds, transfer to Public Offer Account have been issued on October 7, 2020 and payment to non-Syndicate brokers have been issued on October 9, 2020. In case the same is not received within ten days, investors may contact the Registrar to the Offer at the address given below. The Equity Shares Allotted to the successful Allottees have been uploaded on October 8, 2020 for credit into the respective beneficiary accounts subject to validation of the account details with the depositories concerned. The Company has obtained the listing and trading approval from BSE and NSE, and trading is to commence on October 12, 2020.

All capitalised terms used and not specifically defined herein shall have the same meaning as ascribed to them in the Prospectus.

INVESTORS PLEASE NOTE

The details of the allotment made have been hosted on the website of the Registrar to the Offer, KFin Technologies Private Limited at www.kfintech.com

All future correspondence in this regard may kindly be addressed to the Registrar to the Offer quoting full name of the first/ sole Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, UPI ID (in case of RIBs using the UPI Mechanism), date of submission of Bid cum Application Form, address of the Bidder, number of Equity Shares applied for, the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder. and a copy of the Acknowledgment Slip received from the Designated Intermediary at the address given below:

KFINTECH

KFin Technologies Private Limited
(formerly known as Karvy Fintech Private Limited)
Selenium Tower B, Plot 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032, India
Telephone: +91 40 6716 2222; **Fax**: +91 40 2343 1551, **E-mail**: utiamc.ipo@kfintech.com
Investor Grievance E-mail: einward.ris@kfintech.com; **Website**: www.kfintech.com;
Contact Person: M Murali Krishna; **SEBI Registration Number**: INR000000221

For **UTI ASSET MANAGEMENT COMPANY LIMITED**
On behalf of the Board of Directors
Sd/-

Place: Mumbai
Date: October 9, 2020

Company Secretary and Compliance Officer

THE LEVEL OF SUBSCRIPTION SHOULD NOT BE TAKEN TO BE INDICATIVE OF EITHER THE MARKET PRICE OF THE EQUITY SHARES ON LISTING OR THE BUSINESS PROSPECTS OF UTI ASSET MANAGEMENT COMPANY LIMITED

UTI ASSET MANAGEMENT COMPANY LIMITED has filed the Prospectus with SEBI and the RoC. The Prospectus is available on the website of SEBI at www.sebi.gov.in and on the websites of the BRLMs, Kotak Mahindra Capital Company Limited, Axis Capital Limited, Citigroup Global Markets India Private Limited, DSP Merrill Lynch Limited, ICICI Securities Limited, JM Financial Limited and SBI Capital Markets Limited at www.investmentbank.kotak.com, www.axiscapital.co.in, www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm, www.ml-india.com, www.icicisecurities.com, www.jmfl.com and www.sbicaps.com, respectively. Investors should note that investment in equity shares involves a high degree of risk and for details relating to the same, please see the section entitled "*Risk Factors*" on page 24 of the Prospectus.

This announcement is not an offer of securities for sale in the United States. Securities may not be offered or sold in the United States absent registration with the United States Securities and Exchange Commission or an exemption from registration. There will be no public offering of securities to be issued pursuant to the Offer in the United States. The Equity Shares offered have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or any other applicable law of the United States (or any state or other jurisdiction therein), unless so registered, and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the U.S. Securities Act ("Regulation S")) ("U.S. Persons") except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable United States state securities laws. Accordingly, the Equity Shares are being offered and sold only (a) to persons in the United States or to, or for the account or benefit of, U.S. Persons, in each case that are both "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act ("Rule 144A")) and "qualified purchasers" (as defined under the U.S. Investment Company Act) in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act in reliance on Rule 144A and of the U.S. Investment Company Act in reliance on Section 3(c)(7) of the U.S. Investment Company Act; and (b) outside the United States to investors that are not U.S. Persons nor persons acquiring for the account or benefit of U.S. Persons in "offshore transactions" (as defined in Regulation S) in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales occur.

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

CORRIGENDUM TO THE DETAILED PUBLIC STATEMENT WITH RESPECT TO THE OPEN OFFER TO THE PUBLIC SHAREHOLDERS OF

WELCON INTERNATIONAL LIMITED

(Formerly known as Sinner Energy India Limited)
Corporate Identification Number: L45100MH1995PLC322040
Registered Office: SH- 11, V Star Plaza, Plot No. 16, CTS No. 606A, 606A/1 to 22, Chandavarkar Road, Borivali (West), Mumbai-400092, Maharashtra, India.
Tel. No. +91-8655012379; **Email:** welconinternationalltd@gmail.com
Website: www.welconinternational.com

Open Offer (the "Offer") for acquisition of upto 1,55,64,120 (One Crore Fifty-Five Lakh Sixty-Four Thousand One Hundred and Twenty Only) fully paid-up Equity Shares of Re. 1.00 each (the "Equity Shares") of Welcon International Limited (the "Target Company") representing 26% of the Diluted Share and Voting Capital (as defined below) from the Public Shareholders (as defined below) of the Target Company by Mr. Murtuza Mansoorbhai ("Acquirer") alongwith persons acting in concert ("PAC"), namely Mrs. Farheen Murtuza Mansoorbhai ("PAC 1") and Mrs. Shivani Sharda Sharma ("PAC 2") (PAC 1 and PAC 2 are jointly referred to as the "PACs") with an intention to acquire control of the Target Company pursuant to and in compliance with Regulation 3(1)and 4 read with Regulations 13(1) and 15(1) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "SEBI (SAST) Regulations" and reference to a particular "Regulation" shall mean the particular regulation of the SEBI (SAST) Regulations).

This Corrigendum ("**Corrigendum**") is being issued by Systematix Corporate Services Limited ("**Manager to the Offer**"), for and on behalf of the Acquirer and the PACs in all the newspapers namely, the Financial Express (English Daily), Jansatta (Hindi Daily) and Mumbai edition of Mumbai Lakshadeep (Marathi Daily) in which DPS was released on August 31, 2020.

This Corrigendum should be read in continuation with and in conjunction with (a) Public Announcement dated August 24, 2020 ("**PA**"); (b) Detailed Public Statement dated August 29, 2020 ("**DPS**"); and (c) Draft letter of offer dated September 07, 2020 ("**DLOF**").

Capitalised terms used but not defined in this Corrigendum shall have the same meaning assigned to them in the DPS. The Manager to the Offer has received SEBI Observations Letter dated October 08, 2020 ("**SEBI Observations Letter**") on the DLOF. The Public Shareholders are requested to note the following changes/amendments to the Detailed Public Statement and in relation to the Open Offer pursuant to the SEBI Observations Letter and the development post filing of DLOF with SEBI:

1. Revised Schedule of Activities:

The public shareholders are requested to kindly note following revisions in the Schedule of activities relating to the Offer:

ACTIVITY	Original Schedule of Activities (as disclosed in the Draft Letter of Offer)	Revised Schedule of Activities
	Original Day and Date	Revised Day and Date
Date of release of the Public Announcement (PA)	Monday, August 24, 2020	Monday, August 24, 2020
Date of release of the Detailed Public Statement (DPS)	Monday, August 31, 2020	Monday, August 31, 2020
Last date of filing of the Draft Letter of Offer (DLOF) with SEBI	Monday, September 07, 2020	Monday, September 07, 2020
Last date for a Competitive Bid / Offer[$]	Monday, September 21, 2020	Monday, September 21, 2020
Identified Date*	Wednesday, September 30, 2020	Monday, October 12, 2020
Last date for dispatch of the Letter of Offer to the Public Shareholders	Thursday, October 08, 2020	Monday, October 19, 2020
Last date for public announcement by the Independent Directors Committee ("IDC") of the Target Company on the Offer	Tuesday, October 13, 2020	Thursday, October 22, 2020
Last date for upward revision of the Offer Price or any increase in the Offer Size	Wednesday, October 14, 2020	Friday, October 23, 2020
Date of release of Offer Opening Public Announcement (Pre-Offer PA)	Wednesday, October 14, 2020	Friday, October 23, 2020
Date of Opening of the Tendering Period (TP) / Offer	Thursday , October 15, 2020	Monday, October 26, 2020
Date of Closure of the Tendering Period (TP) / Offer	Wednesday, October 28, 2020	Monday, November 09, 2020
Last date for communicating the rejection /acceptance; Completion of payment of consideration or refund to the shareholders	Tuesday, November 10, 2020	Tuesday, November 24, 2020
Last date for release of Post-Offer Public Announcement (Post-Offer PA)	Friday, November 20, 2020	Wednesday, December 02, 2020
Submission of Final Report by the Manager to the Offer with SEBI	Friday, November 20, 2020	Wednesday, December 02, 2020

[$] There was no competing offer to the Offer.

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

Note: Where last dates are mentioned for certain activities, such activities may happen on or before the respective last dates. Duly Signed FOA and Transfer Deed(s) together with Share Certificate(s) in case of physical shares and duly signed FOA and delivery instruction slip in case of dematerialized shares should be dispatched by Registered Post / Courier or Hand Delivery to Satellite Corporate Services Private Limited ("**Registrar to the Offer**") to arrive not later than 5:00 pm on or before Wednesday, November 11, 2020 i.e. within two working days from closure of the TP.

2. The Board of Directors of the Target Company in the meeting held on August 24, 2020, shareholders' of the Target Company by way of Postal Ballot on September 30, 2020 and subsequent receipt of "in-principle" Approval Letter dated October 05, 2020 from BSE for issue and allotment on a preferential basis 2,74,64,000 Equity Shares and 1,21,00,000 Warrants of the Target Company at a price of Rs. 3.00/- (Rupees Three only) per Equity Shares aggregating to Rs. 11,86,92,000 representing 66.09% of the Diluted Share and Voting Capital of the Target Company on fully diluted basis to the Acquirer, the PACs and Others (public shareholders) for "Cash".
3. The Shareholders of the Target Company by way of Postal Ballot on September 30, 2020 have approved the following:
   i. Increase in Authorised Share Capital from Rs. 5,00,00,000/- (Rupees Five Crore only) divided into 5,00,00,000 (Five Crore) Equity Shares of Re. 1/- (Rupee One) each to Rs. 6,00,00,000/- (Rupees Six Crore only) divided into 6,00,00,000 (Six Crore) Equity Shares of Re.1/- (Rupee One only) each.
   ii. Change of Object Clause of the Memorandum of Association to "To carry on in India or elsewhere the business to manufacture, develop, fabricate, finish, manipulate and to act as importer, exporter, buyer, seller, job worker of wooden beading and mouldings, wooden packing cases, and to carry on either alone or jointly with one or more persons, government, local or other bodies, the business of, to undertake interior work, inter designers, erection and installation and to act as civil engineers, contractors, Traders & wholesalers of all type of goods, Art Gallery, Art house, Auction House, interior decorators, Exhibitors, consultants, advisors, contractors, turnkey contractors and managers, and to do all incidental acts and things necessary for the attainment of the above objects."
   iii. Change of Name from "Welcon International Limited" to "Muzali Arts Limited" or such other name as may be made available
   iv. Shifting of Registered Office from Mumbai (Maharashtra) to Nagpur (Maharashtra) having its present location at SH- 11, V Star Plaza, Plot No. 16, CTS No. 606A, 606A/1 to 22, Chandavarkar Road, Borivali West, Mumbai – 400092, Maharashtrato Plot No. 3, B -44, Near Manav Mandir, Kantol Road, Yerla, Nagpur – 441501, Maharashtra i.e. within the same State.

   The Target Company has already filed relevant forms with Registrar of Companies ("**ROC**"). However, approval from ROC is not yet received.
4. As on date of this Corrigendum, to the best of the knowledge of the Acquirer and the PACs, there are no other pending approvals which are required to implement this Offer. However, the approval from the Stock Exchange w.r.t. listing and trading of Equity Shares and approvals from the Registrar of Companies are due w.r.t. increase in authorised share capital, change in name, shifting of registered office and change in main objects of the Target Company.
5. Further, in case of any regulatory or statutory or other approvals being required at a later date before the closure of the TP, the Offer shall be subject to all such approvals and the Acquirer and the PACs shall make the necessary applications for such approvals.

Except as detailed in this Corrigendum, all other terms and contents of the Detailed Public Statement remain unchanged.

The Acquirer and the PACs accept full responsibility for the information contained in this Corrigendum and shall be jointly and severally responsible for the fulfillment of obligations under the SEBI (SAST) Regulations in respect of the Open Offer.

This Corrigendum will be available on the website of the Securities and Exchange Board of India at (www.sebi.gov.in) and BSE (www.bseindia.com). For further details, please refer to the Letter of Offer.

ISSUED BY MANAGER TO THE OFFER ON BEHALF OF THE ACQUIRER AND THE PACS

SYSTEMATIX GROUP™
Investments Re-defined

Systematix Corporate Services Limited
SEBI Registration No. INM000004224
The Capital, A-Wing, 6th Floor, No. 603-606, Plot No. C-70, G-Block, Bandra-Kurla Complex (BKC), Bandra (East), Mumbai 400 051, Maharashtra, India.
Telephone: +91-22-6704 8000; **Facsimile:** +91-22-6704 8022
Email: ecm@systematixgroup.in; **Website:** www.systematixgroup.in
Contact Person: Mr. Amit Kumar

Signed by the Acquirer and the PACs

Sd/-	**Sd/-**	**Sd/-**
Mr. Murtuza Mansoorbhai (ACQUIRER)	**Mrs. Farheen Murtuza Mansoorbhai (PAC 1)**	**Mrs. Shivani Sharda Sharma (PAC 2)**

Date: October 10, 2020
Place: Mumbai.

SWARAJ
SWARAJ ENGINES LTD.

CIN : L50210PB1985PLC006473
Regd. Office: Phase IV, Industrial Area, S.A.S.Nagar (Mohali), Punjab - 160 055
Tel : 0172-2271620, Fax : 0172-2272731
E-mail : selinvestor@swarajenterprise.com
Website : www.swarajenterprise.com

NOTICE

Pursuant to Regulation 47 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, **NOTICE** is hereby given that the Meeting of the Board of Directors of the Company will be held on **26th October, 2020** (Monday), inter alia, to consider and approve, the un-audited financial results of the Company for the second quarter and half-year ended 30th September, 2020.

The above information is available on the website of the Company at **www.swarajenterprise.com** and also on the websites of the stock exchanges at **www.bseindia.com** & **www.nseindia.com**

The outcome of the meeting shall also be made available on above mentioned websites.

For **SWARAJ ENGINES LTD.**

(RAJESH K. KAPILA)
Company Secretary

Place : S.A.S. Nagar (Mohali)
Date : 9th October, 2020

भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA
www.rbi.org.in

AUCTION OF STATE GOVERNMENT SECURITIES

The following State Governments/Union Territory have offered to sell 4 to 30 years securities by way of auction for an aggregate amount of ₹17,750.00 crore (Face Value).

Sr. No.	State/Union Territory	Amount to be raised (₹ cr)	Additional borrowing (Green Shoe) option (₹ cr)	Tenure (in years)	Type of auction
1.	Andhra Pradesh	1,000	-	19	Yield based
2.	Bihar	2,000	-	4	Yield based
3.	Karnataka	1,000	-	10	Yield based
		1,000	-	13	Yield based
4.	Madhya Pradesh	1,000	-	20	Yield based
5.	Maharashtra	1,000	-	7	Yield based
		1,000	500	8	Yield based
		1,000	500	10	Yield based
6.	Meghalaya	250	-	10	Yield based
7.	Punjab	500	-	10	Yield based
8.	Rajasthan	500	-	10	Yield based
9.	Tamil Nadu	1,000	-	Reissue of 4.54% TNSDL 2023	Price based
		1,000	-	Reissue of 6.33% TNSDL 2030	Price based
10.	Telangana	1,000	500	30	Yield based
11.	Uttar Pradesh	2,000	-	10	Yield based
12.	Uttarakhand	500	-	10	Yield based
13.	West Bengal	2,000	-	15	Yield based
	Total	17,750			

The auction will be conducted on Reserve Bank of India Core Banking Solution (E-Kuber) in multiple-price format on **October 13, 2020 (Tuesday)**. For further details please refer to RBI press release dated **October 09, 2020 (Friday)** on RBI website (**www.rbi.org.in**).

"Don't get cheated by E-mails/SMSs/Calls promising you money"

SALE NOTICE by KG Somani Insolvency Professionals Private Limited

Invites Auction Bids in Sale Notice of
Advance Surfactants India Limited - In Liquidation
Under the Insolvency and Bankruptcy Code, 2016
Date & Time of E-Auction: 11th November 2020 and 12th November 2020 from 11 am to 5 pm
E-Auction of Sale of Assets on Going Concern Basis of various units of **M/s Advance Surfactants India Limited** – In Liquidation on **"As is where is basis", "As is what is basis", "Whatever there is basis", and "No recourse basis".**

Date of E-Auction	Nature of Business/Asset	Description	Reserve Price (INR)	Earnest Money Deposit (INR)	Incremental Bid Amount (INR)
11th November 2020	Assets of all units of corporate Debtor	Assets of All units of Corporate Debtor **Located at Silvassa, Puducherry, Hooghly, Mangalore & Pithampur (MP) as a whole**	Rs. 17,75,00,000/-	Rs. 60,00,000/-	Rs. 10,00,000/-
12th November 2020* (see condition 3 below)	Assets of respective individual units of corporate debtor	Assets of **SILVASSA** Unit	12,00,00,000/-	40,00,000/-	10,00,000/-
		Assets of **PUDUCHERRY** Unit	3,00,00,000/-	10,00,000/-	4,00,000/-
		Assets of **HOOGHLY** Unit	3,00,00,000/-	10,00,000/-	4,00,000/-
		Assets of **MANGALORE** Unit	1,50,00,000/-	5,00,000/-	3,00,000/-
		Assets of **INDORE** Unit	70,00,000/-	3,00,000/-	1,00,000/-

Terms and Conditions of the E-Auction:
1. The Description of Assets, Properties etc are provided in E-Auction Process Information Document.
2. The complete E- Auction Process Information Document containing Terms and Conditions of E-Auction are available on website of approved service provider **M/s Right2vote Infotech Private Limited – https://right2vote.in and also on www.kgsip.com For any clarifications Contact Mr. K G Somani, E-Mail: kgsomani.advance@gmail.com**
3. *The E-Auction for individual units on **12th November, 2020 will be held only if the Bid to be held on 11th November, 2020** for all the units as a whole does not succeed.
4. The Liquidator has the absolute right to accept or reject any or all offer(s) or adjourn/postpone/cancel the e- Auction or withdraw any property or portion thereof from the auction proceeding at any stage without assigning any reason thereof.

Sd/-
Kishan Gopal Somani - Liquidator
IBBI Reg No: IBBI/IPA-001/IP-P00300/2017-18/10544
KG Somani Insolvency Professionals Private Limited, Address: 3/15, 4th Floor, Asaf Ali Road, New Delhi - 110002, Email id kgsomani.advance@gmail.com, Contact Number: 011-41426262, 011-23277677, 9310182010

GTPL HATHWAY LIMITED

Registered Office : C-202, 2nd Floor, Sahajanand Shopping Centre,Opp. Swaminarayan Mandir, Shahibaug, Ahmedabad - 380 004. • Tel: 91-079-25626470 • Fax: 91-079-61400007, • CIN: L64204GJ2006PLC048908
Website: www.gtpl.net • E-mail: info@gtpl.net
(Amount Rupees in Million)

EXTRACT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30,2020

Sr. No.	Particulars	Quarter Ended Sept. 30, 2020 Unaudited	Half Year Ended Sept. 30, 2020 Unaudited	Quarter Ended Sept. 30, 2019 Unaudited
1.	Total Income from Operations	5,756.37	10,710.99	6,196.94
2.	Net Profit for the Period (before Tax and Exceptional Items)	697.57	1,272.39	605.69
3.	Net Profit for the Period before Tax (after Exceptional Items)	697.57	1,272.39	605.69
4.	Net Profit for the Period after Tax	499.03	963.76	349.37
5.	Total Comprehensive Income /(Loss) for the Period (comprising Profit /(Loss) for the Period after Tax and Other Comprehensive Income (after Tax))	501.00	965.73	346.22
6.	Paid up Equity Share Capital (Face value of Rs. 10/- each)	1,124.63	1,124.63	1,124.63
7.	Other Equity (As shown in the Audited Balance Sheet)	NA	NA	NA
8.	Earning Per Share - (basic, diluted and not annualised) (in Rs.)	4.01	7.65	2.57

Notes : (1) The Company is appointed as Project Implementation Agency (PIA) for Package B of Bharat Net Phase - II Project in the state of Gujarat by Gujarat Fibre Grid Network Limited (GFGNL). Under the project, the Company will connect 3,767 Gram Panchayat by implementing end-to-end Optic Fibre Cable (OFC) and digital infrastructure with Centralized network operations center at Gandhinagar in Gujarat. The Company, along with its consortium partner, will implement this project. The Company has commenced the commissioning and lying of OFC from February 2019. During the quarter ended September 30, 2020, the Company has recognised total revenue and total cost amounting to Rs. 782.86 million and Rs. 727.18 million respectively.

(2) Additional information on standalone financial results is as follows: (Amount Rupees in Million)

Sr. No.	Particulars	Quarter ended Sept. 30, 2020 Unaudited	Half Year ended Sept. 30, 2020 Unaudited	Quarter ended Sept. 30, 2019 Unaudited
1.	Total Operating Income	4,031.75	7,489.80	4,685.59
2.	Net Profit for the Period (before Tax and Exceptional Items)	474.05	886.08	489.15
3.	Net Profit for the Period before Tax (after Exceptional Items)	474.05	886.08	489.15
4.	Net Profit for the Period after Tax	346.81	652.29	252.27

(3) The above is an extract of the detailed format of the standalone and consolidated financial Results for the quarter and half year ended September 30, 2020 filed with the Stock Exchanges under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the said standalone and consolidated financial results for the quarter and half year ended September 30, 2020 are available on the Stock Exchange website (www.bseindia.com and www.nseindia.com) and on the Company's website (www.gtpl.net).

(4) The aforesaid results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on October 10, 2020.

For GTPL Hathway Limited
Anirudhsinh Jadeja
Managing Director
DIN : 00461390

Place : Ahmedabad
Date : October 10, 2020

MASK INVESTMENTS LIMITED

CIN : L65993GJ1992PLC036653
Regd. office: 6th Floor, A-601/B, International Trade Centre, Majura Gate, Ring Road, Surat 395 002. (Gujarat) INDIA.
Phone: +91-261-2463261, 2463262, 2463263, Fax: +91-261-2463264
Email : contact@maskinvestments.com Website: www.maskinvestments.com

NOTICE

Notice is hereby given, pursuant to Regulation 29 read with 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, that meeting of the Board of Directors of the company will be held on **Friday, 16th October, 2020** at registered office of the company, inter alia, to consider and approve Un-audited Financial Results of the company for the second quarter and half year ended on 30th September, 2020. This information is also available on the Company's website www.maskinvestments.com and on the website of the Stock exchanges i.e. www.nseindia.com.

For MASK INVESTMENTS LIMITED
Sd/-
(Naresh Saboo)
Director

Place : SURAT
Date : 10/10/2020

GUJARAT METRO RAIL CORPORATION (GMRC) LIMITED

આપણી મેટ્રો

(SPV of Govt. of India and Govt. of Gujarat)
Block No.1, First Floor, Karmayogi Bhavan, Behind Nirman Bhavan, Sector 10/A, Gandhinagar: 382010, Gujarat, India
(CIN): U60200GJ2010SGC059407

TENDER NOTIFICATION No.: GMRC/DDC/ELEV-VDCT+STNS & DEPOT/SURAT/PH-1/R/2020 Dated : 12.10.2020

E-Tenders are invited from reputed and experienced Contractors for the following tender:

Tender Name	Tender Fees
(i) "Detailed Design Consultancy Services for Corridor 1 from Sarthana Dead end (CH :- 450m) to end of UG RAMP (CH :- 3950m), Elevated Viaduct, Elevated Station (4 Stations) including viaduct portion within the stations and transition spans on either side of the stations" and (ii) "Detailed design consultancy services for corridor 2 from bhesan dead end (CH :- 949.63m) to saroli dead end (CH :- 17791.9m), elevated viaduct, elevated station (18 stations) including viaduct portion within the stations and transition spans on either side of the stations & depot at Bhesan" in connection with Surat Metro Rail Project, Phase-I	INR 25,000/-

Interested bidders are requested to visit **https://gmrc.nprocure.com** for eligibility criteria, applying/ downloading the tender document. Last date and time for Bid Submissions is **15:00 Hrs on 26.11.2020.**

Any alterations in Eligibility Criteria cum Qualification Requirements, and terms of the Tender Document, or any amendment to the Tender Document, etc, will be uploaded on **https://gmrc.nprocure.com** and GMRC's Website **www.gujaratmetrorail.com** without any obligation or press notification or other proclamation.

Sd/- Managing Director,
GMRC, Gandhinagar

NIDHI GRANITES LIMITED

CIN NO: L51900MH1981PLC025677
Regd. Office: 9, Popat Bapa Shopping Centre, 2nd Floor, Station Road, Santacruz (West), Mumbai - 400 054. Tel No: (022) 2649 1040; Fax: (022) 2648 5481
Email Id: pushpraj0201@gmail.com Website: www.nidhigranites.com

NOTICE

Notice is hereby given that an Extra-Ordinary General Meeting (EGM) of the Company will be held at 9, Popat Bapa Shopping Centre, 2nd Floor, Station Road, Santacruz (West), Mumbai - 400 054 on Thursday, 5th November, 2020 at 11.00 a.m. (IST) to transact the business as set out in the Notice of EGM which along with the Explanatory Statement has been sent electronically to those members who have registered their email addresses with Company/Depository Participants and for other members, physically at their registered addresses. Any Member desirous of receiving a physical copy of the Notice, is requested to contact the Company. Notice of EGM is also available on Company's website at www.nidhigranites.com and on the website of Central Depository Services (India) Limited at https://www.evotingindia.com.

Pursuant to Section 108 of the Companies Act, 2013 ("Act") and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR"), the Company is offering e-voting facility to its Members in respect of the business to be transacted at its EGM. The Company has engaged services of 'Central Depository Services (India) Limited' as the authorized agency to provide the e-voting facility to its Members. The cut-off date for determining the eligibility to vote by electronic means and poll is Friday, 23rd October, 2020. The communication relating to remote e-voting containing User Id and Password Pin along with a copy of the Notice convening the Meeting has been dispatched to the members.

Members holding shares either in physical form or in dematerialized form may cast their vote electronically for which remote e-voting will commence from 9.00 a.m. (IST) on Sunday, 1st November, 2020 up to 5.00 p.m. (IST) on Wednesday, 4th November, 2020. Remote e-voting shall not be allowed beyond the said time and dates. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of notice and holding shares as of cut-off date i.e. 23rd October, 2020 may obtain login ID and password by sending an email to pushpraj0201@gmail.com or helpdesk.evoting@cdslindia.com by mentioning his/her Folio No./DP ID and Client ID. However, if he/she is already registered with CDSL for remote e-voting then they can use his/her existing user ID and password for casting vote.

Pursuant to Section 107 of the Act, voting through polling paper shall also be made available to those Members who attend the AGM and have not cast their vote by e-voting. A member may participate in the meeting even after exercising his/her right to vote through remote e-voting but shall not be allowed to vote again at AGM.

In case of any query, you may refer Frequently Asked Questions (FAQs) and e-voting user manual for Shareholders available at the Downloads section of "www.evotingindia.com" or contact Mr. Rakesh Dalvi, Manager, Central Depository Services (India) Limited, Marathon Futurex, A-Wing 25th Floor, Mafatlal Mills Compound, N.M. Joshi Marg, Lower Parel (E) Mumbai-400013 or at helpdesk.evoting@cdslindia.com or on Phone No: 1800225533.

By Order of the Board
For NIDHI GRANITES LIMITED
Sd/-
Nehashree Rathi
Company Secretary

Place: Mumbai
Date: 12th October, 2020

[FORM- G]
INVITATION FOR EXPRESSION OF INTEREST

[2nd EXTENSION]
(Under Regulation 36A (1) of the Insolvency and Bankruptcy (Insolvency Resolution Process for Corporate Persons) Regulations, 2016

RELEVANT PARTICULARS

1.	Name of the corporate debtor	**DEWA PROJECTS PRIVATE LIMITED**
2.	Date of incorporation of corporate debtor	12-04-2005
3.	Authority under which corporate debtor is incorporated / registered	RoC- Ernakulam
4.	Corporate identity number / limited liability identification number of corporate debtor	U70101KL2005PTC018111
5.	Address of the registered office and principal office (if any) of corporate debtor	Registered Office: TC/25/1497, S.S. Kovil Road, Thampanoor GPO, Vanchiyoor Village, Thiruvananthapuram, Kerala-695001
6.	Insolvency commencement date of the corporate debtor	13-09-2019
7.	Date of invitation of expression of interest	12-10-2020
8.	Eligibility for resolution applicants under section 25(2)(h) of the Code is available at:	Available at www.dewaprojects.in
9.	Norms of ineligibility applicable under section 29A are available at:	Available at www.dewaprojects.in
10.	Last date for receipt of expression of interest	27-10-2020
11	Date of issue of provisional list of prospective resolution applicants	30-10-2020
12	Last date for submission of objections to provisional list	04-11-2020
13	Date of issue of final list of prospective resolution applicants	08-11-2020
14	Date of issue of information memorandum, evaluation matrix and request for resolution plans to prospective resolution applicants	30-10-2020
15	Manner of obtaining request for resolution plan, evaluation matrix, information memorandum and further information	The resolution professional shall share the documents in electronic form after receiving a confidentiality undertaking from the applicant under sub-section (2) of section 29
16	Last date for submission of resolution plans	29-11-2020
17	Manner of submitting resolution plans to resolution professional	By electronically to the Resolution Professional at vinodpv@gmail.com on or before the last date of submission of the Resolution Plan. Applicant should also furnish the original in a sealed envelope to the Resolution Professional.
18	Estimated date for submission of resolution plan to the Adjudicating Authority for approval	10-12-2020
19	Name and registration number of the resolution professional	Name: Vinod Padinhare Veettil Reg.No. IBBI/IPA-002/IP-N00203/10657
20	Name, Address and e-mail of the resolution professional, as registered with the Board	Vinod Padinhare Veettil, 66-1058, First Floor, Veekshanam Road Ernakulam, Cochin-682018 Email: vinodpv@gmail.com
21	Address and email to be used for correspondence with the resolution professional	Vinod P.V, Indialaw, 66-1058, First Floor, Veekshanam Road, Ernakulam, Cochin-682018, Email: vinodpv@gmail.com Phone: 0484 2367167
22	Further Details are available at or with	www.dewaprojects.in or by mail at vinodpv@gmail.com
23	Date of publication of Form G	12-10-2020

(Sd/-) **Vinod Padinhare Veettil**
Reg.No. IBBI/IPA-002/IP-N00203/10657
Registered Address: 66-1058, First Floor, Veekshanam Road, Ernakulam, Cochin-682018

Date : 12-10-2020
Place : Ernakulam

HFCL LIMITED

HFCL GROUP

(formerly Himachal Futuristic Communications Limited)
Regd. Office : 8,Electronics Complex, Chambaghat, Solan-173213 (Himachal Pradesh) Tel. : (+911792) 230644 , Fax No. (+911792) 231902,
E-mail: secretarial@hfcl.com Website: www.hfcl.com / Corporate Identity Number (CIN): L64200HP1987PLC007466

STATEMENT OF UNAUDITED STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE SECOND QUARTER AND HALF YEAR ENDED 3OTH SEPTEMBER, 2020

(Rs. in Crore unless otherwise stated)

Particulars	Standalone						Consolidated					
	Three months ended September 30, 2020	Preceding three months ended June 30, 2020	Corresponding three months ended September 30, 2019	Year to date figures for the Period ended September 30, 2020	Year to date figures for the Period ended September 30, 2019	Previous financial year ended March 31, 2020	Three months ended September 30, 2020	Preceding three months ended June 30, 2020	Corresponding three months ended September 30, 2019	Year to date figures for the Period ended September 30, 2020	Year to date figures for the Period ended September 30, 2019	Previous financial year ended March 31, 2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Total income from operations	983.80	656.24	923.05	1,640.04	2,123.66	3,547.30	1,054.32	699.76	979.52	1,754.08	2,322.25	3,838.91
Net Profit / (Loss) for the period (before tax, Exceptional and/or Extraordinary items)	64.78	27.97	100.78	92.75	236.66	327.92	78.42	29.66	103.13	108.08	260.50	358.35
Net Profit / (Loss) for the period before tax (after Exceptional and/or Extraordinary items)	61.88	27.48	100.78	89.36	236.66	327.92	75.52	29.17	103.13	104.69	260.50	358.35
Net Profit / (Loss) for the period after tax (after Exceptional and/or Extraordinary items)	44.73	20.61	62.84	65.34	152.18	203.82	54.16	21.34	65.93	75.50	183.05	237.33
Total comprehensive income for the period (comprising net profit (after tax) and other Comprehensive Income (after tax) for the period)	45.56	21.87	62.46	67.43	152.64	203.08	55.26	22.55	65.55	77.81	183.28	238.30
Equity Share Capital	128.44	128.44	128.44	128.44	128.44	128.44	128.44	128.44	128.44	128.44	128.44	128.44
Other Equity	-	-	-	-	-	1,516.62	-	-	-	-	-	1,539.96
Earnings Per Share (Face Value Re. 1/- each) (for continuing and discontinuing operations) -												
Basic (Rs.)	0.35	0.16	0.49	0.51	1.19	1.59	0.40	0.16	0.51	0.57	1.37	1.77
Diluted (Rs.)	0.35	0.16	0.49	0.51	1.18	1.61	0.40	0.17	0.50	0.57	1.36	1.76

NOTES:
1. The above Un-Audited Standalone & Consolidated Financial Results of the Company for the second quarter and half year ended 30th September, 2020 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on 10th October, 2020.
2. The above Results are in compliance with the Indian Accounting Standards (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.
3. The above is an extract of the detail format of Un-audited Standalone & Consolidated Financial Results of the Company for the second quarter and half year ended 30th September, 2020, filed with stock exchanges under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the Un-audited Standalone & Consolidated Financial Results of the Company for the second quarter and half year ended 30th September, 2020 are available on the Company's website i.e. www.hfcl.com and stock exchanges website at BSE (www.bseindia.com) and NSE (www.nseindia.com).
4. The figures of the previous periods have been re-grouped/ re-arranged wherever considered necessary.

By order of the Board

(Mahendra Nahata)
Managing Director
DIN 00052898

Place : New Delhi
Date : 10th October, 2020

Opinion

MONDAY, OCTOBER 12, 2020

DON'T CHASE TRP
I&B minister Prakash Javadekar

Media should not be TRP-driven... The Supreme Court has also said that media freedom cannot be absolute. But we cherish media freedom

RationalExpectations

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Breaking up Big Tech a bad idea

The US House report conflates abuse of social media with monopoly issues, ignores consumer welfare & tech progress

IT IS IRONIC that while Silicon Valley giants tend to be Democrat, they are probably rooting for a Donald Trump victory now. Breaking up Big Tech—Google, Facebook, Apple and Amazon—will take more than the Democrats even winning the Senate as there will be big court battles, but a Biden win will quicken the process if the 449-page report by the antitrust committee of the House Judiciary Committee is anything to go by.

Certainly, it looks scary when four firms account for a fourth of the market-cap of the S&P 500 and when there are few aspects of our daily lives that they do not impact. Not surprising, the report took more than a year to finalise, and the panel analysed 1.3 mn documents before concluding abuse of dominance. A research paper by respected academics like former RBI Governor Raghuram Rajan along with Sai Krishna Kamepalli and Luigi Zingales is also cited by the report to buttress its findings of the chilling impact of their monopoly.

Given their products are free—in the case of Amazon, deeply discounted over competing products—it is difficult to argue that consumer welfare is being hurt by their monopolies; to that extent, any attempt to either break them up or subject them to more antitrust activity can end up costing consumers billions of dollars. And when you look at the work Google has done to shake up the mobile phone market with its Android, or the advances in the use of artificial intelligence that took place with Siri, Alexa and OK Google, the impact on stifling tech innovation and R&D can be huge.

Rajan's paper—called "Kill Zone"—argues the opposite, that while consumers are benefiting from free e-mail/maps/social media right now, they lose from the fall in innovation in the long-run. In their words, "the number and the dollar value of new start-ups in the social media space have dropped dramatically in the last few years ... normalized VC investments in start-ups in the same space as the company acquired by Google and Facebook drop by over 40% and the number of deals falls by over 20% in the three years following an acquisition. In comparison, a similar calculation for other acquisitions in the software industry suggests that normalized VC investments in start-ups in the same space as the company acquired goes up (not down) by over 40 percent, while the number of deals goes up slightly in the three years following an acquisition".

> Ironically, while Silicon Valley is pro-Democrat, its giants have the most to fear if Donald Trump does not regain the White House

It is not clear how significant this is, though, in terms of stifling overall tech-spend; in 2018, with a budget of $16.2 bn, Google's parent Alphabet was the 2nd-highest spender on R&D and Amazon was the top-spender with an R&D budget of $22.6 bn. In other words, breaking up these tech firms can have serious consequences for overall R&D-spend. By the way, Rajan's paper talks of similar "killer acquisitions" when pharma firms take over rivals.

While stories of Google favouring its advertisers are legion, it is not clear whether the solutions the House report proposes will necessarily work. Nor do all the findings appear consistent. Amazon is supposed to have "monopoly power over many small- and medium-sized businesses", but, the report adds, "that do not have a viable alternative to Amazon for reaching online consumers ... Amazon has 2.3 million active third-party sellers on its marketplace ..." Surely Amazon giving small sellers access to markets is a good thing?

The report comes down on Apple for its high fees of 30% of what apps make—PayTM chief Vijay Shekhar Sharma makes a similar point about Google's Play Store—but as Apple argues, 84% of apps distributed on its App Store pay nothing, and the 30% commission is lower than what was charged by brick-and-mortar retailers that dominated the market in the pre-App Store days. As this newspaper has argued in the context of Google, apart from the commission applying to just a small fraction of apps, this is really a payment for a big distribution—and billing/collection—network that the app stores provide. Certainly, checks are required to ensure dominant positions are not abused, and there are several instances of this; shockingly, the report says, "of Facebook's nearly 100 acquisitions, the Federal Trade Commission engaged in an extensive investigation of just one acquisition: Facebook's purchase of Instagram in 2012." If competition authorities are asleep, anyone will abuse dominance. Search-neutrality has to be ensured in the case of a Google, and if an Amazon uses consumer data that others don't have to fine-tune its production strategy, this is worrying.

But breaking up tech firms is not going to fix this. Zachary Karabell (*bit.ly/2GN2zom*) argued in *Wired* that previous attempts at breaking up monopolies—in telecom, oil—ended up with market power remaining as concentrated after a few decades; indeed, the House panel report itself says "certain features of digital markets—such as network effects, switching costs, the self-reinforcing advantages of data, and increasing returns to scale—make them prone to winner-take-all economics." In which case, is the solution to keep breaking up tech giants every few years?

Indeed, the talk of how these big tech firms have wielded their dominance to "erode entrepreneurship, degrade Americans' privacy online, and undermine the vibrancy of the free and diverse press" suggests several issues are getting conflated with the problems associated with social media and fake news and election-manipulation on platforms like Facebook. But, as Infosys co-founder Nandan Nilekani argues, this may have to do with the fact that, unlike media firms, social media is not held responsible for what is posted on it; start treating/suing Facebook like a traditional media firm and some of this may start changing.

The last line of the Rajan paper is worth keeping mind: "it is dangerous to apply twentieth century economic intuitions to twenty first century economic problems". Antitrust is a 20th century institution. In fact, taking its cue from this, the House panel also speaks of interoperability and data portability as solutions to the issue of dominance. Just as compulsory interconnection finished off monopoly powers in telecom networks several decades ago, Zingales (*nyti.ms/3iKvZAP*) has argued for data portability in networks; if users can take their entire location history or social media posts from Google Maps or Facebook to MyMaps or MyBook—Google Takeout, it so happens, offers precisely this—a lot of the monopoly power that Google, etc, have goes away. Indeed, India cut into the monopoly powers of Mastercard and Visa by creating a government-funded open-architecture UPI payments system. The scope for abuse also gets reduced once users can sell their data as everyone will then have equal access; India's non-personal data Bill even proposes sharing of anonymised data like that from GST authorities, traffic patterns, etc. The House report is correct when it talks of abuse by Big Tech firms, even though it is guilty of gross exaggeration in places; but a 21st century technology problem can only be solved by a 21st century technology response.

OrderingCHANGE

The Delhi govt lifting some restrictions on restaurants, including on timings, is a good move

A RAGING CONTAGION like Covid-19 isn't the most propitious time for freeing up the hospitality sector by allowing restaurants to function 24x7, or allowing liquor service till 1 am. Nevertheless, the Delhi government has done well to ease some restrictions on restaurants in the national capital. While a restaurant needs a food safety licence from the Food Safety Standards Authority of India (FSSAI), it also must get a health trade licence from the municipal corporation—essentially duplicating the regulatory requirement. Restaurants must also obtain tourism licences, while there are separate permits for indoor and open-air seating. They must obtain approval for additional dispensing counters, music, etc and comply with rules on store liquor storage. At a time when, business is hit, allowing some easing of regulation is manna.

The Delhi government's move will allow restaurants to compete with the cloud kitchens that have thrived in the regulatory vacuum for such businesses. But the government must focus on ensuring safety and hygiene compliance—restaurants in Khan Market, Hauz Khas Village (HKV) continue to be fire hazards. In 2019, the NCT government had cancelled the fire safety clearance of 30 restaurants in HKV—despite this 120 eateries continue to operate in a cheek-by-jowl setting. Understaffed and underequipped fire service and FSSAI make the problem worse. Besides, the distancing needs of pandemic times will also need to be enforced. Greater freedom is good, but enforcement of some rules needs to be tightened.

FROM PLATE TO PLOUGH

DO WE WANT AGRI GROWTH THAT IS ALSO FINANCIALLY SUSTAINABLE, OR THE MESS THAT WE HAVE IN RICE, WHEAT, AND SUGAR THAT ARE MSP- AND SAP-DOMINATED?

MSP vs Markets
A question of efficiency

ASHOK GULATI
Infosys chair professor for agriculture, Icrier
Views are personal

THE INDIAN DEMOCRACY was at full play over the passage of the new farm laws. While the government hailed it as historic decision, and I tend to agree with that, opposition parties branded it as a 'dark day for farmers', a 'sellout to corporate sharks', etc. What amused me most was how come everyone's heart was suddenly bleeding with their love for farmers!

Discerning the real arguments behind this cacophony of political voices, I could see that both sides of the political spectrum want farmers' incomes to improve. The opposition wanted to make it through higher and more effective MSP (minimum support prices), while the government was offering greater choice through markets, without demolishing the existing system of MSP.

Having analysed the MSP business over decades, let me say clearly that MSP was the creation of scarcity era of mid 1960s. But, Indian agriculture has turned the corner from scarcity to surplus. The policy instruments of dealing with shortages are different than dealing with surpluses. In a surplus economy, unless we allow greater role of markets and be demand-driven, the MSP route can spell financial disaster. This transition is not a 'zero-one' game, it is only changing the mix of how much of pricing should be state-supported and how much market-driven.

These farm laws are trying to increase the relative role of markets without dismantling the MSP system. Let me also say that currently, no system is perfect, be it MSP or market-led. But the MSP system is much more costly and inefficient, while the market-led system will be more sustainable, provided we can 'get the markets right'. Let me explain that in some detail.

MSP is implemented primarily in paddy and wheat in selected states, and in recent years, some amounts of pulses, oilseeds, and cotton are also bought by the government occasionally. Look at the results of MSP-dominated system of rice and wheat. The stocks with the government are bulging way above the buffer stock norms (*see graphic*). The economic cost of procured rice comes to about ₹37/kg and wheat at around ₹27/kg. The CTC (cost to company) of departmental labour of the Food Corporation of India (FCI) is 6-8 times higher than contract labour in the market. No wonder, market prices of rice and wheat are much lower than the economic cost of FCI. In Bihar's rural areas, for instance, you can easily get rice in retail market at ₹23-25/kg. The bottomline is that grain stocks with the FCI can't be exported without a subsidy, which invites WTO objections.

The real bill of food subsidy is going through the roof, but is not reflected in the central budget as the FCI is asked to borrow more and more. The debt burden of the FCI is crossing ₹3 lakh crore. We are simply postponing a financial crisis in food management system. The FCI can reduce costs if it uses policy instruments like 'put options'. But who cares for cost efficiency when operations are in the name of poor!

Some scholars have even compared sugarcane-pricing and milk-pricing by co-operatives as MSP. Technically, that is not correct. MSP is an assurance (not legally binding) by the government to the farmers that it will buy at MSP if market prices go below MSP. In case of sugarcane, the government announces 'Fair and Remunerative Price (FRP)' to be paid by sugar factories, and Uttar Pradesh announces its own 'State Advised Price (SAP)'. And, look at the mess we have created in the sugar sector. We have cane arrears of more than ₹8,000 crore, with large surpluses of sugar that can't be exported, making this sector globally non-competitive by sheer populism of SAP! Unless pricing of sugarcane follows the Rangaranjan Committee's recommendations, which is somewhat akin to milk pricing, these problems of sugar sector will not go away.

That brings me to the most important commodity of Indian agriculture, namely milk, whose value is more than the value of rice, wheat, and sugarcane combined. In case of milk co-operatives, pricing is done by the company in consultation with milk federations, not by the government. It is more in the nature of a contract price. RS Sodhi, the MD of the largest milk cooperative (GCMMF, AMUL), says that milk does not have MSP. It competes with private companies, be it Nestle or Hatsun or Schreiber Dynamix dairies. And, the milk sector has been growing over years at a rate that is 2-3 times higher than the growth in rice, wheat and sugarcane. Today, India is the largest producer of milk (187 million tonnes), ahead of the US which ranks second with a milk production of around 100 million tonnes.

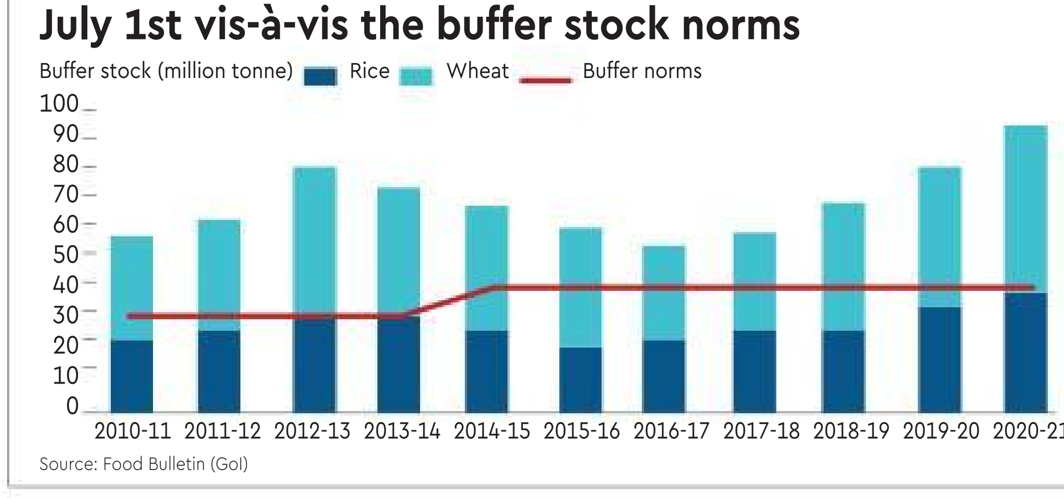
My reading as a policy analyst is that in the next 3-5 years, hundreds and thousands of companies will be encouraged to build efficient supply lines somewhat on the lines of milk, as a result of these changes in farm laws. It will be for different agri-commodities, in states where they find the investment climate right, be it with farmers producer organisations (FPOs) or through aggregators. Some will fail, but many will succeed. These companies will help raise productivity, quality, safety of the produce, as it happened in the poultry sector.

Milk and poultry don't have MSP and don't go through a *mandi* system, paying high commissions, market fees and cess.

The choice is ours: Do we want sustainable growth that is also financially sustainable, or create a mess that we already have in rice, wheat, and sugar which are MSP- and SAP-dominated?

At the end, I must say that crop price has its own limits in raising farmers' incomes. More sustainable solutions lie in augmenting productivity, diversifying to high value crops, and shifting people out of agriculture to high productivity jobs elsewhere. But, no one talked about these during these agitations!

Stocks of rice and wheat with FCI as on July 1st vis-à-vis the buffer stock norms



Source: Food Bulletin (GoI)

Volatility in the air?

The gap between USD-INR 3-month implied volatility (6.58%) and the realised volatility over the past 90 days (4.55%) is huge and has been sustaining for over a month. Market expects some sort of dramatic move in ₹ over the next few months

JAMAL MECKLAI
CEO
Mecklai Financial

ONE OF THE benefits of the lockdown for me is that I get to speak with and "meet" dozens of clients who I wouldn't normally meet for various reasons. Again, meeting in the current circumstances is better than before because everybody is more open than usual and, most often, they are home so the meeting has a personal dimension to it. And, of course, each call brings new learning—about client businesses—and ideas and questions about the market.

Last week, I spoke with a client who was focused on—and, indeed, concerned about—November 3; his take was that after the US election, irrespective of who won, all hell would break loose with the dollar, which would necessarily impact the rupee. He asked me what I thought.

I began, of course, by replaying the broken record that I really don't have a view. I do believe (hope?) that Trump will lose, but how that will affect the dollar is anybody's guess. And, particularly if there is the anticipated trauma of Trump not demitting office if he loses, it is even more difficult—indeed impossible—to forecast the direction, let alone the extent, of any move. Then, I remembered a lovely story.

This was back in 1987—Black Monday, October 17—when Wall Street collapsed by 22.6%, the highest ever one-day decline till then. I was recently (Dec 1985) returned from the US and building our advisory practice; perhaps because of the bright shirts and, possibly, because I was one of few people thinking about global markets at the time, I had become something of a market guru, and, on October 18, the phone was exploding with people—clients, non-clients, friends, senior bankers, you name it—asking me what was going to happen. I struggled to tell them the same thing—I didn't know; also that when there was an earth-shaking event, it is impossible for anyone to know even how to think about what was going to happen. But the calls kept coming.

Exhausted and exasperated, I went downstairs for a cigarette. As I leaned against the building, smoking, the *chanawala* at the corner came up to me and said, *"Sah'b, pachas rupiya chahiye."* Much more rudely than usual (since I was still trying to process what was going on), I chased him away and kept smoking.

Into my second cigarette, I got a brainwave. I called the *chanawala* over and asked him, "Dollar *upar jaane wala hai ya neeche?"* He said, *"Sah'b mujhe ya pata?"* I told him, *"Pachas rupiye chahiye?"* He said, *"Haan, sah'b."* Me: *"To bolo."*

He said something, I don't remember what, I gave him the fifty rupees, and went upstairs and told every caller (and there were still dozens) what he had said (without, of course, identifying the sage).

The point is that while it is impossible to sustainably forecast the market, it is completely nuts to even try when things are falling apart—the *chanawala's* view is as good as anybody's.

So, I told my client the story and, of course, he enjoyed it. But his question got me thinking. Clearly, there could be a risk of a serious trauma as a result of Trump's personality. So, I looked at the historic volatilities of EUR-USD and USD-JPY—in absolute terms, they were quite a bit lower than levels that had prevailed in previous crises—no signal there. I also looked at the gap between these and the respective implied vols, and found that it was near zero, suggesting that the option market, at least, is not (yet?) looking for any real drama.

On the other hand, the gap between USD-INR 3-month implied volatility (6.58%) and the realised volatility over the past 90 days (4.55%) is huge and has been sustaining for the past month or so. This seems to suggest that the market is expecting some sort of dramatic move in the rupee over the next few months. With global markets apparently not bothered (as my client is) by November 3, perhaps our market is focused on other, more local issues—the Bihar election, perhaps.

With the absolute value of the historic volatility very low and substantially below its 100-day average, the possibility of a break out is real. However, on the upside, 73 looks well protected by RBI; this leaves a downside break-out as a possibility. Having said that, though, there appears to be some reasonably strong support (technically) at 74.50, and then 75.

Importers should pay heed, particularly as during the lockdown, there are no *chanawalas* around.

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LETTERS TO THE EDITOR

A woman of letters

As students of literature, we rejoice that celebrated poetess Louise Gluck was awarded the 2020 Nobel Literature Prize for her 'unmistakable poetic voice that with austere beauty makes individual existence universal'. The recipient of the prize lent more sheen to the prestigious prize. Gluck's poetic works are filled with resonant female experience. A salient and recurring theme of her poetry is close relationships with parents and siblings. Another theme that occurs predominantly in her easy-to-read poems is aging. Reading her poetry is an education that 'women's lives are as real and as mighty a measure of the human as any man's, as one of her readers puts it. Gluck once described poetry as "a torment, a place of suffering, harrowing". Her oeuvre includes Firstborn, The House on Marshland, The Wild Iris, The Triumph of Achilles, Faith and Virtuous Night and the Seven Ages. The 77-year-old American lyric poetess tried her hand at poetry at the age of five. Her poetic genius has found expression in the lucidities and subtleties of her language.

— G David Milton, Maruthancode

Next-gen growth

Giving us a glimpse of the future, the chairman of an 'oil to telecom' major mentioned the fourth industrial revolution. India missed out on the big turns of the world's industrialisation, except, to some measure, the IT and IteS boom. It provides India unprecedented opportunities to overcome contemporary obstacles to economic growth.

— Khusboo Ved, Ujjain

●Write to us at feletters@expressindia.com

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ILLUSTRATION: ROHNIT PHORE

OM PRAKASH MATHUR

The author is senior fellow, Global Cities Institute, University of Toronto, and former IDFC Chair, NIPFP

URBAN LOCAL BODIES

Fixing finances and functioning

The Fifteenth Finance Commission can hardly afford to be status quoist in its recommendations. There should be a hard budget constraint for ULBs—for the transfer-grant system to be effective, benchmarks on local revenue raising need to be set

Two roads diverged in a wood, and I—
I took the one less travelled by,
And that has made all the difference.
—Robert Frost

THE FIFTEENTH FINANCE Commission (FFC) will shortly be submitting its final report for the five-year period, 2021-26. *Inter alia*, it will consist of recommendations for urban local bodies (ULBs) as mandated under Article 280(3)(c) of the Constitution. There are expectations at this stage that firstly the FFC may opt to continue with the approach and pattern of the grant-in-aid that it laid out for ULBs in its 2020-21 report, and secondly it may spell out an agenda, possibly a dedicated one, for making local bodies *self-governing* (pp 53, 2020-21 report).

The rationale behind such expectations is simple: The nature of recommendations that the FFC has proposed for ULBs in its 2020-21 report, such as providing a grant-in-aid for pollution abatement, using urban agglomerations as spatial units for implementing some of its recommendations and requiring states to establish floor rates for property taxation and keep them aligned with GSDP growth rates, demand a much longer time frame to produce results. A one-year time frame for such recommendations would seem wasteful. Likewise, the FFC appears to hold that making local bodies *self-governing* is necessary for enhancing revenue mobilisation and accountability; it may even contribute to the larger goals that underlie the Constitution (seventy-fourth) Amendment Act. These are new and seminal initiatives and it is fair to acknowledge the FFC having stepped onto a road less travelled by; the next step for the FFC is to pitch for a road that would make a difference.

The big questions here are: What should be the structure and make-up of such a road? Are there lessons from the approaches employed by the previous Finance Commissions (FCs) that can help lay out the structure of such a road?

These are compelling questions. Let me elaborate.

The FCs, beginning with the 10th FC, have been engaged with the finances and functioning of ULBs for 26 long years during which they have, in aggregate, dispensed a basic grant-in-aid of ₹1,22,076 crore for ULBs, supplemented it with a performance grant amounting to ₹25,428 crore, and capped it with a slew of recommendations for bringing about improvements in ULB finances and functioning. Annual average grant-in-aid for ULBs has risen from ₹250 crore in 1996 to ₹29,250 crore in 2020. Property Tax Boards have been established in a few states. Several states have introduced changes in the accounting system of local bodies. Outside of the FCs framework, too, initiatives have been taken to refurbish the finances of ULBs—listing of municipal debt securities in the stock market being one such recent initiative. *Prima facie*, these appear to have a large spread.

A review of these initiatives undertaken to assess their impact on ULB finances and functioning shows that while there is a change in the composition of the revenue of ULBs, their overall fiscal status, i.e. revenues and expenditures measured in terms of a percentage of gross domestic product (GDP), has changed little over the past two decades (see table). ULB revenues are stuck at an incredibly low level of about 1% of GDP compared with levels ranging 4-7% in several emerging economies. Transfers from the higher governmental tiers including grant-in-aid from the FCs have risen; in the process, however, transfers seem to have undercut local revenue-raising efforts. Tax share of ULBs has dipped to a historic low of 1.8% from a high of 4.2% in the early 1990s. In other spheres too, such as creation of a comparable local finance data base, sought by every FC, or restoring to ULBs the functional space that stands occupied by parastatals, there is no evidence of any headway. With this record of performance, the FFC can hardly afford to be *status quoist* and continue on the path laid out by its predecessors; a strategic shift in how to make Article 280(3)(c) effective—the only instrument available to it for bringing about a change—is necessary. Five suggestions focused on how to make grant-in-aid work better, revive local revenue raising, and widen ULBs functional and fiscal space are presented here:

1. Bring in a hard budget constraint for ULBs: There is enough global evidence to suggest that transfers do not function under conditions of a soft budget where local governments operate sub-optimally in matters of resource raising and service delivery. Setting benchmarks for local revenue raising—a kind of fiscal responsibility—is a prerequisite for a transfer-grant system to become *effective*;

2. Use an index of local revenue effort with a *substantial weightage* as a key criterion in the interstate allocation of the recommended grant-in-aid: It should work as an incentive for states to provide ULBs autonomy in making choices about tax bases, tax rates, tax exemption, fixing surcharges on state taxes that have a strong local orientation, etc. It will be a major step towards self-governing ULBs;

3. Provide a dedicated grant-in-aid window for ULBs to implement those 12th Schedule functions that are drawn from the Concurrent List of the Constitution, such as planning for economic and social development, urban forestry and protection of environment;

4. Pull in the Reserve Bank of India (RBI) in the standardisation and publication of a volume on municipal finances, complementary to that on state finances. It is an essential step to assessing the fiscal health of ULBs;

5. Initiate a process of amending Article 280(3)(c): In its existing format, this Article is discriminatory to local bodies in that it denies them access to the 'divisible pool of resources', and consequently a place in the country's intergovernmental fiscal framework. Under the existing arrangement, local governments are at best grantee institutions. Article 280(3)(c) is also an unusual and cumbersome provision that requires the FCs to make use of the reports of the state finance commission (SFCs) for assessing the requirements of ULBs. No FC has been able to do it, with the result that determination of the grant-in-aid recommended by the FCs has thus far been an ad hoc exercise. Even after 26 years, a methodology that will allow the FCs to systematically assess the requirements of ULBs has not emerged. A long-term improvement in the finances and functioning requires a more scientific method in place of the current one as laid down in Article 280(3)(c) of the Constitution.

In an interview (*IE*, September 30), the chairman of the FFC referred to the need to revisit the constitutional framework defining the federal structure, especially the 7th Schedule; Article 280(3)(c) deserves to be one of the candidates for such a revisit.

Fiscal status of ULBs

Year	As % of GDP: Municipal revenues	As % of GDP: Municipal expenditure	Municipal taxes as % of combined tax revenues of the Centre, states and local bodies	Municipal own revenues to transfer ratio
2002-03	1.05	1.08	2.4	0.37
2007-08	1.02	1.09	1.7	0.52
2012-13	1.05	0.83	1.8	0.50
2017-18	1.00	0.78	1.8	0.50

Discoms need a stimulus package

DEEPTO ROY

Author is partner, Shardul Amarchand Mangaldas. Views are personal

Impartial source of liquidity needed, without the attendant bells & whistles

INDIA'S STATE-RUN distribution companies (discoms) have been a drag on the power sector; their inefficiencies have had a cascading effect, with large unpaid bills for generating companies and poor-quality power supply for consumers. They have been dealt a blow by the Covid-19 lockdown—a massive slump in power demand and a spiral of unpaid bills and accumulated losses. Several states allowed a moratorium to consumers from paying electricity bills (or pay in instalments). Also, scheduled tariff increases have been delayed. The tariff structure does not cover the costs of discoms. Residential and agricultural consumers pay far below the cost of supply; industrial and commercial consumers pay far higher.

While there was expectation of a large-scale government intervention, the government stayed away from direct cash infusions and instead announced a ₹90,000 crore loan scheme. These loans were to be provided by the two state-owned power sector lenders—REC and PFC—and used by discoms to pay off the dues to generating companies (which, in May 2020, stood at a staggering ₹97,250 crore).

A set of conditions were to be attached to these ten-year loans. These would have to be guaranteed by state governments; states were required to commit that subsidies owed to discoms would be paid monthly or quarterly, instead of once a year; a second tranche of the loan was to be linked to certain other reforms, such as measurable increase in digital payment interface and having in place detailed action plans to reduce losses related to cost of supplies and revenue collection; among others. Loans were to be secured by receivables of discoms and loan disbursements were to be released directly to generating and transmission companies.

The government soon discovered that several discoms didn't have headroom to raise funds under the borrowing limits imposed by the Ujwal Discom Assurance Yojana (UDAY), under which they could borrow a maximum of 25% of previous year's revenues, and hastily moved to relax the limits.

The amount of the loan package was increased to ₹1,20,000 crore for dues till June. It appears that ₹70,590 crore has been sanctioned, and ₹24,472 crore disbursed till September 16. In some cases, states have been unable to provide guarantees required for disbursement of loans, not wishing to burden their already precarious economies. Several discoms have complained that loans are at higher interest rates than they would otherwise get from the market.

The distribution sector needs reforms, including a transparent system of apportion of costs involved in expenses of discoms; developing a robust billing and collection mechanism supply including universal metering of consumers and timely delivery of accurate bills; and targeted subsidies. The amendments to the Electricity Act, 2003, contemplate several reforms to distribution.

The immediate measures have been, at best, haphazard. Are the various conditionalities that have been attached to the liquidity scheme rational? Do they serve the purpose they were intended to? The most important consideration should have been to stabilise the finances of discoms and ensure financial recovery of power generators. There is little evidence that the funding scheme has done that.

In addition, it must be kept in mind that discoms are in a position of disproportionate risk. They prop-up private enterprise by entering into high-cost, long-term power purchase agreements. At the same time, every tariff increase is a political tinderbox.

What is required is an impartial source of liquidity, without the attendant bells and whistles. Unless discoms have sufficient funds to address root issues, they will find themselves in the same position of illiquidity three months down the line, and then premium and interest on these massive loan amounts will need to be paid. At stake is energy access and economic development.

Unless discoms have sufficient funds to address root issues, they will find themselves in the same position of illiquidity three months later

Inclusivity is lost in online lectures

Is online education catering to the needs of a chosen few?

VIDYA HATTANGADI

The author is a blogger and management expert

THE COVID-19 pandemic has disrupted the worldwide education system. Schools and universities haven't faced this level of disruption in generations. The new system of education is online lectures, from nursery to PG level. Learners, teachers and families are at the heart of the new education arrangement. However, this alternative medium has also brought to the fore some stark realities of Indian society characterised by social disparities in terms of availability of resources to all students in metros as well as rural India. It appears that digital initiatives are not monitored. The digital divide between rural and urban and rich and poor shows a yawning gap.

The transition from classroom to online faces a big problem; according to the most recent data from the National Center for Education Statistics (NCES) of the US, 14% of children aged 3-18 don't have internet access at home. More than 9 million schoolchildren will face difficulty completing assignments online. The biggest problem is in households where multiple children are studying and have access to only one smartphone with limited data pack; how can children do justice to attending lectures?

Students and teachers also have their own struggles while accessing these online platforms. Due to financial constraints, students are not able to access the internet, and are devoid of electronic gadgets such as laptop, phone or computer or even radio and TV. Those students who have facilities to attend online classes face barriers in terms of unavailability of physical space, which is equally applicable to teachers who are supposed to conduct online classes from their homes.

Given the great difference in the infrastructure across states in terms of the internet and allied facilities, it appears to be a huge task for state governments. In addition, NGOs that support the weaker sections of the society in terms of health, education and livelihood and also collaborate with governments are facing a huge financial crunch as most of the funds are being diverted to tackle the pandemic.

Quality of the content is not at par: Teacher-student relationship can be best established in a classroom only. The interaction and the questions a student asks the instructor in the class cannot happen in an online interaction. As a teacher, I stress on the fact that virtual learning offers a good substitute to classroom learning in the time of emergency, as the current one, but it cannot replace the classroom.

Technology has been considered central to the reform of school education and has gained exceptional impetus during this pandemic. It is being perceived as a solution to fight all education-related issues, hence the hurry to transfer classrooms into the virtual world without taking into consideration the reach to all learners. In a country as diverse as India in terms of regional, linguistic, caste, class and gender, and socioeconomic status, the school system is also characterised by stratification from elite to low-fee private schools as well as government schools, which creates a plethora of issues about specific educational, psychosocial, emotional and financial needs of students as well as teachers based on gender, caste, class and socioeconomic status.

What is worst in the current situation is that—from politicians to bureaucrats to private institutions and deemed universities—all are concerned with completing the syllabus, assessing students and conducting entrance tests for medical and engineering courses through online mode in a haste, ignoring the issues and concerns of the side-lined section of the society. When only 24% of households of students in India have internet access—in urban areas, 42% of households have access to the internet as compared to 15% in rural areas—this online education is catering to the needs of a chosen few. Isn't this a grave issue?

Why can't we learn some lessons from countries like Syria, and Kenya and other African countries that have faced several political, economic and natural disasters such as conflict, recurring refugees and recurring epidemics like Ebola? They have the experience of making provisions for education of children during difficult times. Over the years, they have developed policies to keep the schooling of students going. There is evidence to show that for children belonging to disadvantaged groups, low-tech mediums such as radio and TV are useful.

The experience of tackling the Ebola crisis has helped Sierra Leone—a country in West Africa—to prepare a better strategy to address Covid-19-induced educational disturbance. The country has implemented a plan to provide education to its children which includes radio broadcast as well as distribution of pen, pencil and books to students. With 80% mobile phone penetration, the country is trying to capitalise on it by developing a mobile phone-based educational intervention. Let's replicate their model.

We cannot miss the point of providing equity and equality in education as per our Constitution. The Indian Constitution aims to provide equality of educational opportunities to all the citizens irrespective of caste, class, gender and religion. Article 29 (1) provides for equal access to educational institutions maintained by the State without discrimination on grounds only of religion, race, caste, language or any of them. Similarly, the Right to Education Act 2009 mandates to provide equitable quality education to all the children from six to 14 years of age. But the fact is that people from weaker strata of society are left high and dry.

I conclude my point stating that while the government is making provisions for online learning or planning to resume offline on-campus schools post-Covid-19, a serious thinking is needed at all levels; inclusivity is lost in virtual lectures.

eFE

MONDAY, OCTOBER 12, 2020

TECH DELIVERY

Bret Taylor, president & COO, Salesforce

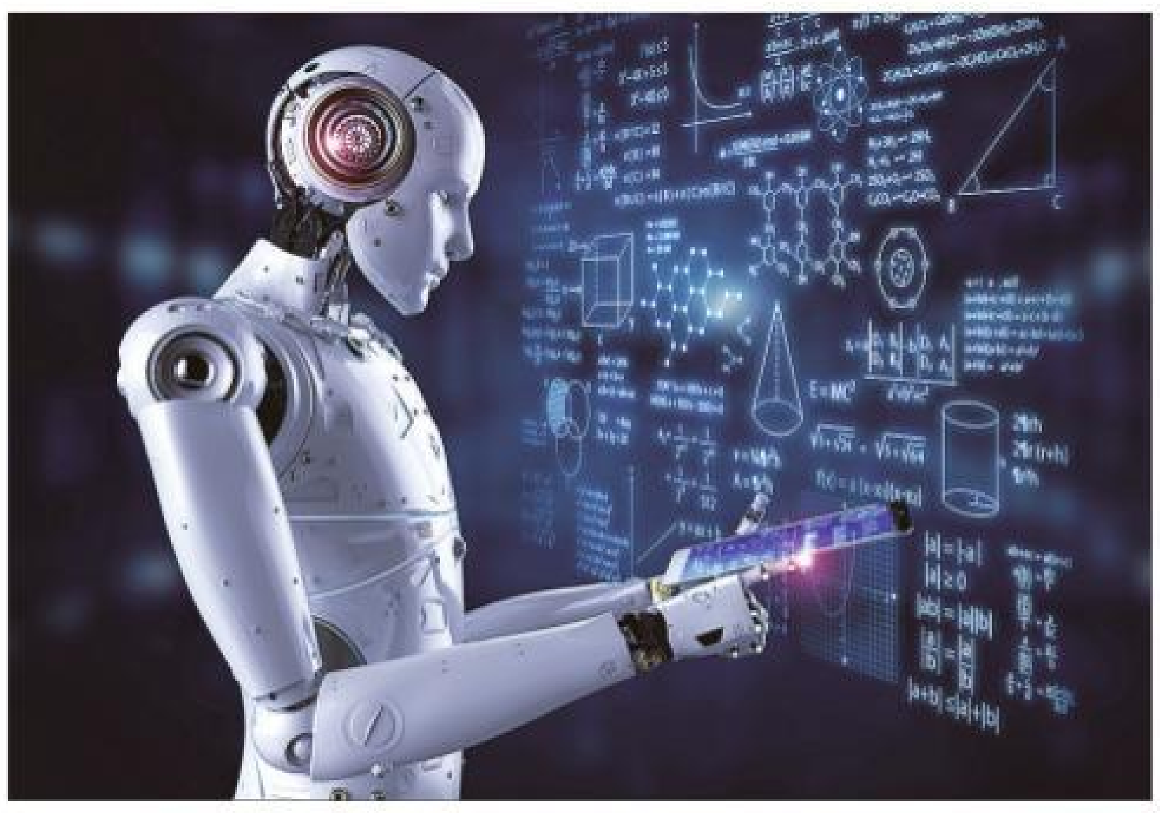
"Technology is going to play a critical role in helping governments and healthcare organisations distribute what promises to be billions of doses of vaccines around the world."

LEAP OF FAITH

Adopting AI to level up

Back-to-back policy-level initiatives and public-private partnerships focus on developments in Artificial Intelligence and their potential in India

SRINATH SRINIVASAN



IN THE LAST two years, the Indian government has made far-reaching announcements in the field of technology and Artificial Intelligence (AI), which were also key highlights of the last two Union Budgets. Last week, the government took another initiative to promote AI. At the virtual global AI summit 'Responsible AI for Social Empowerment (RAISE 2020)', large corporations aligned with government bodies such as Niti Aayog to propagate new business segments resulting out of developments in AI and new skilling initiatives for the masses.

In terms of skilling, some ambitious plans were laid out by large corporations and the government. IBM CEO Arvind Krishna said through its 'STEM for girls' initiative, it is teaching nearly 80,000 girls across India on how to code and model AI algorithms. "Our goal is to reach 2,00,000 students by 2022," he said. According to him to, AI is also capable of improving learning outcomes and student-teacher ratio in classrooms. "We can automate marking and record-keeping for teachers in a way that it will save a lot of time and effort," he added. "Further, in July, we collaborated with the Central Board of Secondary Education to integrate AI in high school curriculum."

Today there is a need to make AI an inter-disciplinary practice to make it all the more meaningful. Abhishek Singh, CEO, MyGov, president & CEO, NeGD, and MD & CEO, Digital India Corporation, said, "Research into AI happens in silos. We have an approach to help create interconnections so researchers can benefit from each other's work and build upon existing research. To this end, the government has developed a national portal for AI which is collating all ongoing research in AI. We also realise the criticality of having an AI-ready workforce. MeitY therefore plans to train 400,000 youth on AI, to create a base of AI-trained professionals."

The numbers put out by organisations such as IBM suggest that the world is only 4% into the AI journey and it will unlock $15.7 trillion in productivity by 2030. Today, in India the applications are concentrated on the services side of supply chain for sectors such as agriculture, finance, mobility, education, smart cities and healthcare. In agriculture alone, startups are involved in direct farm-to-fork services (Ninjacart), terrain mapping with drone tech (Skylark, Huviair), connecting government services, equipment procurement (CropIn, EM3 Agri) for farmers, all as SaaS services.

Arvind Krishna, CEO, IBM

Atul Rai, CEO, Staqu

Nikhil P Maroli, COO, Roadmetrics

When it comes to large corporations, IBM has partnered with Karnataka state government and Niti Aayog to develop 'precision' farming services using AI and weather data. The platform was developed by IBM's Indian engineers. Further, to make public procurement more efficient using AI, it has partnered with Government e-Marketplace (GeM) to set up a centre of excellence in India.

What makes India a crucible for business opportunities in AI is the abundance of data, the business potential of Indian entreprises and a young STEM learning population. The summit also brought out some pioneering work in unusual business areas of computer vision enabled security and telemetrics.

For instance, Staqu, with its proprietary AI technology JARVIS, has so far helped security forces across eight Indian states to identify 3,000-plus criminals and bust eight terrorist modules. "Currently, our undivided attention is on the Covid-19 crisis. JARVIS can visually analyse if the standard operating procedures set by organisations are adhered to by their people, without having any biases or lags, from a safe distance," says Atul Rai, CEO of Staqu.

Again, Roadmetrics works on gathering road and street level data inaccessible via aerial view by using AI to map potholes, signals, pedestrian crossings and other variable elements. "Recently, we worked with Tata Group's JUSCO in Jamshedpur where we provided traffic and terrain information to its logistics teams," said Nikhil Prasad Maroli, COO, Roadmetrics.

It will be interesting to see how the government sustains the steam on tech initiatives like this and how the businesses in the country keep up with them.

BUILDING BLOCKS

Blockchain & digital assets: Why both are needed

Navin Gupta

INDIA HAS ENJOYED great innovation and adoption of digital payments since the 2016 demonetisation. Especially with blockchain technology and digital assets entering the mainstream, people have been exploring new ways to apply the technology in payments and elsewhere. This enabled a robust ecosystem of innovations developing for blockchain projects and startups in the country, particularly in states such as Karnataka, Telangana and Kerala. Sadly, this momentum came to a halt when the Reserve Bank of India prohibited regulated entities, including banks, financial institutions, or payment companies from offering services to digital asset providers due to concerns of illicit activities.

This March however, the Supreme Court of India struck down the ban, signalling that there may be an opportunity for India to be once again at an industry leading position when it comes to the development of blockchain and digital assets. But in September, there were signals that the government is now considering an outright ban of digital assets. Right now, all eyes are on India.

Due to the size of the market and richness of talent, given a hospitable regulatory environment, India can become the biggest hub of innovation with mass market adoption of blockchain and digital assets. It can set standards with a robust fintech ecosystem that is unmatched anywhere else in the world— attracting investors and entrepreneurs from home and abroad.

Blockchain, a shared peer-to-peer network that allows parties to make secure and instantaneous transactions without a middleman—is what bitcoin and other digital assets are built on. While there is mainstream understanding and acceptance of blockchain, there is still confusion about digital assets. However, digital assets work hand in hand with blockchain technology. While most can agree on the benefits blockchain can bring to different industries, digital assets also play a central role—especially when it comes to payments.

India, being the biggest "receive market", is the dominant use-case for cross-border payments and remittances. For cross-border remittances, major pain points include the time it takes for the money to hit the bank account on the other side, and with the amount received at the final destination being less than expected due to foreign exchange rates and high transaction fees. In this scenario, blockchain technology and digital assets can be used to facilitate a fast, low-cost, and seamless remittance process. Not only can payments happen in real-time, but the savings that financial service providers received can be passed along to the consumer.

The path forward for India

While there are an immense number of use cases, the biggest barrier in implementing any new technology is a lack of understanding which can lead to distrust of its capabilities. We're far beyond the days of Silk Road and scammy ICOs – the industry has come a long way as companies are building products that solve real world problems, gaining trust by demonstrating real utility. This is more the reason for government bodies to step in, to push bad actors out of the way, and ensure that consumers and businesses alike are protected.

With suggestions and inputs from both private and public sectors, Indian policymakers will be able to better navigate the path that leads to responsible innovation through adoption of blockchain technologies and digital assets. Ultimately, clear regulatory guidance will help Indian businesses, entrepreneurs, innovators, and consumers to benefit from digital assets in a safe and meaningful manner.

The writer is MD, South Asia and MENA at Ripple, a San Francisco-based blockchain technology company

Tech Bytes

Ketan Patel, managing director, HP India Market

SMBs set to bounce back on tech

SMALL AND MEDIUM business (SMBs) in India are looking to bounce back after facing stiff challenges due to the ongoing pandemic. The HP Asia SMB Report 2020—has revealed that over 73% of SMBs in India are confident that they will survive and bounce back post Covid-19. This confidence is reflected in the fact that almost two-thirds (64%) of respondents from India believe that this period presents a good opportunity to reformulate the business strategy. More importantly, SMBs in India recognise the importance of going digital to revive their businesses. Three-quarters (75%) of the surveyed businesses believe that digital adoption is essential or very important to their success. "A key finding from the research is that the more a company values digital transformation, the more positive they are about future growth, and nowhere in Asia is this reflected as strongly as in India," said Ketan Patel, managing director, HP India Market. "The results of this study will enable HP in helping them adapt to new agile work environments, providing them the right devices, technology, and tools for them to unlock innovation for customers and drive growth for themselves."

Payments made simple and secure by Zeta

ZETA, A FAST-GROWING banking tech company co-founded by Bhavin Turakhia (CEO) and Ramki Gaddipati (CTO), recently showcased its Access Control Server (ACS) solution Cipher's capability to process more than one million transactions per second. The payment processor's capability is said to be upto 6X higher than the global per second transactions throughput which stands at 1,50,000 transactions per second. Thus, even during high sales periods such as the festive season, banks can expect a significantly higher payment success rate. Murali Nair, president – Banking, Zeta said, "Cipher is a future-ready and scalable ACS solution with best in class payment success rates. It is EMV 3DS certified and also equipp-ed to manage high volume transactions. When customer demand is high during festive season sales, banks and e-comm-erce companies can use Cipher's plat-form to seamlessly manage large volumes of transactions with higher speed and lower transaction declines in a cost effective way."

Gadgets

INFINIX NOTE 7

High-end features at mid-range price

Note 7 is a good phone with the latest specs, impressive cameras and long-lasting battery life

SUDHIR CHOWDHARY

THE MID-RANGE MOBILE segment is buzzing with action these days for the simple reason that many features and capabilities common among flagship models are steadily diffusing through to these easy-on-pocket devices. Infinix has been able to carve a niche for itself in this space with its offerings that come with a good design, big display, decent specs and smooth performance. Some of the brand's devices in its Smart and Hot series have been reviewed by us in the recent past and have impressed us with their build quality and smooth running. The best part: they come with reasonable price tags and hence are quite popular in the mid-range segment. Infinix Note 7 is their recent offering; let us take a look at what's new in the phone and how it performs.

Priced at ₹11,499, Note 7 is available in three colours—Aether Black, Forest Green and Bolivia Blue. It comes with a 48MP AI Quad rear camera with f/1.79 large aperture. Its 2MP macro lens will allow photo enthusiasts to capture the smallest of the objects with good detail. The 16MP AI in-display selfie camera with f/2.0 aperture and multiple camera modes like portrait and wide selfie can enable capturing detailed and best possible selfies.

The camera hardware in Note 7 is well-supported by its intuitive AI-based software capabilities that enable good-quality, real-time video shooting and editing. Features such as Slow motion video and its video enhancement algorithm are all aimed at capturing smooth and professional videos. Note 7 has Super Night mode which uses a 1.6μm 4-in-pixel binning and large 1/2-inch light sensor to increase the amount of light captured and reduce the noise generated, thereby helping in better low-light photography.

Appearance-wise, Note 7 comes with an attractive gem-cut texture design with 3D curved glass finish, giving it a premium appeal. The round camera module on the back comes with Corning Gorilla glass to avoid any scratches. Moving further, we are looking at a 6.95-inch pin-hole display that is near bezel-less with a 91.5% screen-to-body ratio and 480 Nits brightness along with HD+ resolution on a 2.5D curved glass display. The brighter, colourful and immersive viewing experience is also backed by powerful audio facilitated by DTS-HD Surround Sound for an audio treat.

This Infinix mobile's style is aptly matched by its performance. It features an ultra-powerful Helio G70 Octa-core processor with 4GB DDR4 RAM and 64GB internal storage. The chipset supports advanced phone features and also offers Dual VoLTE/VoWi-Fi— allowing users to enjoy a seamless, glitch-free, and connected usage experience in whatever they do, from streaming videos online to playing multiplayer games. The device also features a side-mounted fingerprint sensor and face unlock feature that unlocks the phone in 0.3 seconds.

Note 7 is backed by a 5,000mAh battery that, the company claims, can sustain a video playback of 20 hours, up to 24 hours of music playback, 16 hours of web surfing, 35 hours of 4G talk-time, and 50 days of standby time. The phone comes with an 18W Super Charger that can get it 100% juice in just two hours.

All things considered, we were pretty impressed by the Note 7. It certainly delivers in everything the company has promised. The phone has a sleek body, big display, high-end processing power. reasonably good camera performance and battery life with fast charging. Certainly a hot pick in the mid-range segment.

- Estimated street price: ₹11,499

GOQII SMART VITAL WATCH

Your health stats on your wrist

GOQii Smart Vital helps you monitor blood oxygen level, body temperature, heart rate and more with a simple touch

SUDHIR CHOWDHARY

THESE ARE PANDEMIC times and people are acutely health-conscious. In great demand are apps, fitness bands and smartwatches that provide the necessary information on key health parameters—blood pressure, blood oxygen, pulse rate, body temperature, etc. GOQii Smart Vital, a smart activity tracker from Vishal Gondal-founded GOQii, is generating a lot of curiosity in gadget circles these days. Priced at ₹5,999, this smartwatch comes with an integrated Pulse Oximeter to measure the oxygen level in your blood; it will also give real-time updates of variation in blood oxygen levels.

Medical experts say Covid-19 patients are found to have lower oxygen rate, hence the Smart Vital can be crucial in diagnosing and monitoring the symptoms. Smart Vital can help you monitor your blood oxygen (SpO2. Low blood oxygen is an indicator of Covid-19, chronic obstructive pulmonary disease and other lung infections as well. A wearer can immediately get a sense of changes in her vitals and co-relate to a bigger health problem.

High body temperature is also a symptom of Covid-19 and detecting it early can help you take required action. With sensors in the watch to detect body temperature, you can stay aware and avoid any risks to your health. The Smart Vital also gives a glimpse into various other parameters—detecting sleep, steps, calories and heart rate.

GOQii Smart Vital comes with a 1.3-inch Full Screen touch display (240x240 pixels resolution). It is waterproof and comes with an external charger. You can even match your outfits with the multiple, colourful strap options to make the perfect style statement. It is easy to change, is skin-friendly and comfortable. To get started, download the GOQii app from Google Play or App Store and sync the Smart Vital with it. You can change the settings as per your preference via the app.

GOQii Smart Vital's advanced 24x7 heart rate monitor utilises AI-driven algorithms for high-precision readings. It has heart rate sensors for continuous, non-disruptive heart rate monitoring. The blood pressure monitor on the GOQii Smart Vital reads your systolic and diastolic blood pressure. You can get the report directly with the integrated GOQii app. It comes with 18 exercise modes (Walk, Run, Workout, Tennis, Dance, Cricket etc); the key takeaway here is all the activities that get your blood pumping can now be monitored on a single device.

When it comes to smart notifications, you can receive timely updates on your wrist. You can get notified on messages, calls, WhatsApp and other apps on this wearable without looking at your phone. You can also get inactivity alerts, weather information, set alarms and reminders to stay hydrated and active.

Overall, a worthy product for the health-conscious lot.

KEY FEATURES

- 1.3-inch Full Screen touch display
- Track all-day activity like steps, distance, calories burned, active time
- Measure body temperature and blood pressure
- Measure SpO2 with integrated Pulse Oximeter
- 24x7 heart rate monitoring
- Notification like messages, calls, WhatsApp, etc
- Upto7 days battery life
- Estimated street price: ₹5,999

Investor

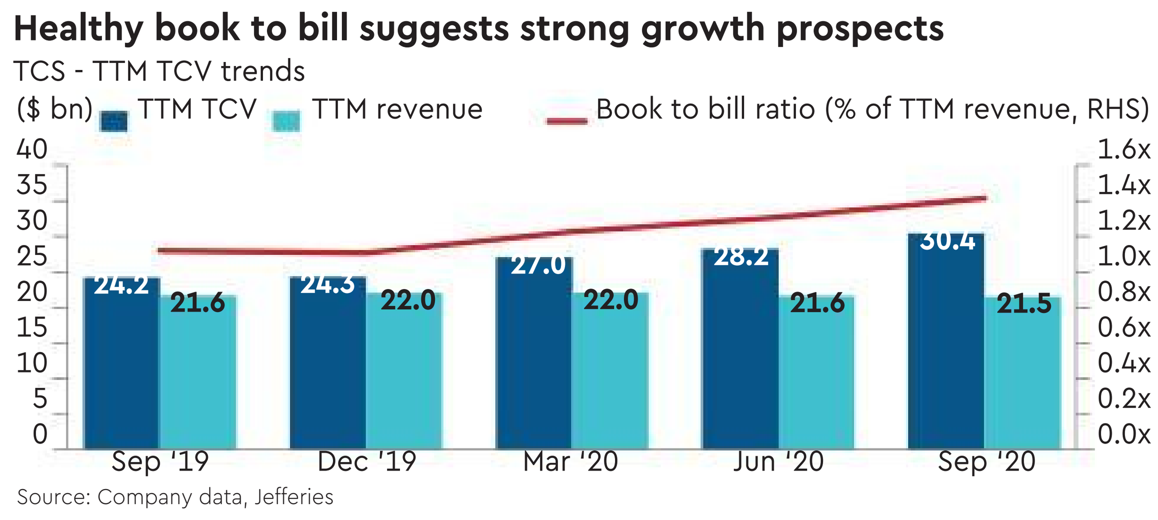
MONDAY, OCTOBER 12, 2020

EXPERT VIEW

Tata Consultancy Services (TCS) plans to roll out salary hikes effective 1st October and has increased recruitment globally

—Jefferies

Healthy book to bill suggests strong growth prospects



Source: Company data, Jefferies

● TCS RATING: **BUY**

Quarter results saw a beat on all counts

Recovery was broad-based; deal TCV, up 25% q-o-q, was very strong; mgmt commentary's positive; 'Buy' retained

TCS Q2FY21 REVENUES up 4.8% q-o-q in cc terms, Ebit margins of 26.2%, up 260bps q-o-q and profit of ₹74.7 bn, up 7% q-o-q beat estimates. Deal TCV at $8.6 bn, up 25% q-o-q, was also very strong. Recovery was broad-based across verticals and geographies. Management commentary is positive on demand outlook and vendor consolidation. The company has declared a dividend of ₹12/share and approved buyback of ₹160 bn at a price of ₹3,000/sh, a 9% premium to CMP.

Strong beat: TCS' Q2FY21 revenues of $5.4 bn, up 4.8% q-o-q in CC terms, Ebit margin improvement of 260bps q-o-q to 26% and profit of ₹74.7 bn, up 7% q-o-q, were all ahead of expectations. The beat on margins was mainly driven by higher than expected revenue growth. Profit beat was driven by both Ebit beat as well as higher other income.

Broad-based revenue growth and strong TCV: Growth was driven by BFSI vertical, up 6% q-o-q, Retail & CPG, up 9% q-o-q and life sciences, up 7% q-o-q. Revenue growth was healthy across geographies with Continental Europe, up 6.1% q-o-q, being the fastest growing large market. Deal booking was also very strong at $8.6 bn, possibly due to the Phoenix deal.

Encouraging initial commentary: Management has indicated that the industry is witnessing the first phase of multi-year technology transformation cycle. While cloud adoption will serve as the first phase, as enterprises utilise the capabilities enabled by cloud, subsequent technology transformation cycles will kick in. The company plans to roll out salary hikes effective 1st October and has increased recruitment globally.

Growth was driven by BFSI vertical, Retail & CPG, and Life Sciences. Revenue growth was healthy across geographies with mainland Europe being fastest growing large market

Buyback & dividends: The board has approved a buyback of ₹160 bn. The size is in line with the buybacks announced in 2017 and 2018. The company has also announced ₹12/share interim dividend.

JEFFERIES

● CEMENT: Q2 PREVIEW

Sept volumes augur well for the quarter

Strong Ebitda growth of 22% y-o-y expected; upside risk to consensus estimates; SRCM and UTCEM top picks

WITH SEP'20 POSTING sharp uptick in volumes, management as well as consensus commentary on FY21e demand outlook is likely to turn incrementally positive. Overall, the industry may see 1-2% y-o-y growth during Q2FY21e with North, Central and East regions growing 7-9% y-o-y and South and West still down 12-14% y-o-y. Our coverage universe is likely to post strong 22% y-o-y Ebitda growth. Given weak exit pricing due to monsoon and mounting cost escalations, companies have announced price hikes of ₹10-30/bag across most regions w.e.f. Oct'20. We maintain our positive stance and see an upside risk to consensus estimates. SRCM and UTCEM remain our top picks. We also like ACEM, JKCE and TRCL.

Coverage universe to see ~5% y-o-y volume growth during Q2FY21e

Though Jul-Aug'20 volumes likely declined in mid-single digit y-o-y, Sep'20 saw sharp ~20% m-o-m/>10% y-o-y growth. While rural and semi-urban housing demand

continues to drive growth, pick-up in government-led infrastructure/low-cost housing aided growth in Sep'20. SRCM and JKCE are likely to see strong volume growth of 15% y-o-y and 25% y-o-y respectively. UTCEM/ACEM/DALBHARA may report 6% y-o-y growth with PRSMJ/HEIM likely to report 3-4% y-o-y growth. TRCL/ACC may report flat volumes y-o-y while ICEM/ORCMNT volumes may shrink by 16-22% y-o-y. Pent-up urban demand and non-trade demand should improve with gradual return of migrant workers post festive holidays in Nov'20.

Average pan-India prices up 1-2% y-o-y/down 4-5% q-o-q in Q2FY21e

Average prices likely declined 2-3% q-o-q in West and South, and 4-6% q-o-q in North, Central and East regions. On a y-o-y basis, prices were sharply up 11% in South, 4% in West and almost flat in North, while it declined 5% in East and 2% in Central regions.

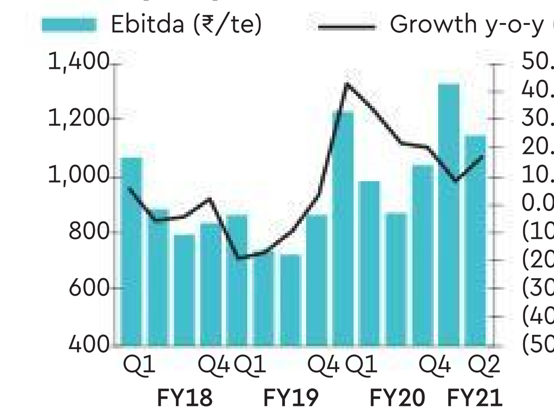
Average Ebitda/te may rise 17% y-o-y/decline 14% q-o-q to ₹1,144/te

Despite 13% y-o-y and q-o-q increase in diesel prices, total cost/te is likely to decline 4-5% y-o-y and remain broadly flat q-o-q owing to improving efficiencies, fixed cost rationalisation, and better operating leverage. Impact of sharp hike in domestic pet-coke prices would start reflecting from Q3FY21e. ACEM, JKCE, TRCL, DALBHARA and ICEM may see Ebitda growth of 30-40% y-o-y. Ebitda for UTCEM may increase 20% y-o-y and that for SRCM and ACC by ~10% y-o-y. SRCM, TRCL and DALBHARA are likely to lead with Ebitda/te of ₹1,350-1,400/te; while UTCEM, ACEM, JKCE (blended) and HEIM may report Ebitda/te of ₹1,100-1,200/te.

Prices likely fell 2-3% q-o-q in West & South, and 4-6% in North, East & Central regions. On a y-o-y basis, prices were up 11% in South, 4% in West and were almost flat in North

ICICI SECURITIES

Average Ebitda/te expected to increase 17% y-o-y/decline 14% q-o-q



Source: Company data, I-Sec research

● RBL BANK RATING: **BUY**

Loan growth slipped, CASA mix a positive

Q2 update shows retail was robust; credit cost to remain high in FY21; 'Buy' retained

RBL BANK (RBL) has released its quarterly update emphasising its Q2FY21 business numbers. Here are the key highlights: Gross advances growth declined 3.1% y-o-y (0.8% q-o-q decline) to ₹573 bn due to weak economic trends. However, retail advances growth came in strong at 23% y-o-y (7% q-o-q), while the wholesale portfolio declined. Thus, the share of the wholesale portfolio contracted to 44% (v/s 47% in Q1FY21).

The bank's deposit base increased to ₹645 bn, implying growth of 4.5% q-o-q (2.7% y-o-y). CASA reported healthy growth of ~21% y-o-y (8% q-o-q), and TD grew at 3% q-o-q (~4% y-o-y decline). The CASA ratio thus improved by ~100bp q-o-q to 31.1%. Overall, the CD ratio declined to ~87% v/s ~92% in Q1FY21. The liquidity coverage ratio (LCR) further improved to 170.7% (v/s 164% in Q1FY21).

Valuation and view: RBL reflected weak advances growth, led by decline in wholesale portfolio. On the other hand, the retail portfolio reflected strong sequential growth. We believe the uptick in retail growth would be led by MFI and Credit Cards. Also, credit card growth at the systemic level stood at ~13% q-o-q. The bank reflects strong traction in garnering CASA deposits.

On the asset quality front, we expect slippage trends to remain elevated in the unsecured and BB & below rated portfolios. Thus, credit cost would remain high at 3.7% for FY21e. Maintain **Buy**, with TP of ₹230 (1.1x FY22e ABV).

MOTILAL OSWAL

Financials Snapshot (₹ bn)

Y/E March	FY20	FY21E	FY22E
NII	36.3	43.3	48.3
OP	27.5	31.8	36.9
NP	5.1	6.9	10.8
NIM (%)	4.5	4.8	4.8
EPS (₹)	9.9	11.6	18.1
BV/Sh. (₹)	208.0	213.4	228.5
ABV/Sh. (₹)	189.8	196.2	210.5
Ratios			
RoE (%)	5.6	5.9	8.2
RoA (%)	0.6	0.7	1.0
Valuations			
P/E (X)	17.8	15.3	9.8
P/BV (X)	0.9	0.8	0.8
P/ABV (X)	0.9	0.9	0.8

Source: Company data, Motilal Oswal estimates

Personal Finance

● MUTUAL FUNDS

Should you invest in a new fund offer?

Consider investing in an NFO only if it will invest in an entirely new category or sector or geography, thus offering an unique opportunity to invest that does not exist in current products

SAIKAT NEOGI

AT A TIME when returns from most equity-oriented mutual funds have been disappointing and market valuations are stretched, fund houses are launching open-ended new fund offers (NFOs) to grow their assets under management. Since January this year, mutual fund houses have mopped up ₹39,121 crore from 39 open-ended NFOs.

Like initial public offers (IPOs) in direct stocks, asset management companies (AMCs) launch NFOs to raise money from investors to invest in markets. Many of the recent NFOs are sectorial/thematic category, international equities, exchange traded funds, multi-asset themes as AMCs seek to take advantage of growth potential in these sectors/categories.

Investors buy the units of the scheme at the fixed rate of ₹10 per unit. After the NFO window closes, the schemes are available for continuous sale and repurchase at the current day's net asset value (NAV).

Like IPOs, most of the NFOs come during a surging market and it is more to do with the sentiments of the investors during rising markets. Harshad Chetanwala, co-founder, MyWealthGrowth, says, investors are more confident in investing during these times and hence AMCs feel they can capitalise on this optimism.

ILLUSTRATION: SHYAM KUMAR PRASAD

What to look out for before investing in NFO

Before investing in an NFO, an investor should look at the unique investment style and theme that it is being offered by the fund house. A new scheme which outlines its investment process clearly should be considered. However, if the scheme deviates from it, investors should see that as an indication of weakness in investing style.

Investors must analyse if the NFO is just cashing on a particular theme which is in vogue at present and the theme is not sustainable in the long run. They should avoid such funds. Investors must also look at the track record in other schemes of the fund house. Most importantly, investors must analyse their risk profile and liquidity needs before investing in an NFO.

MyWealthGrowth's Chetanwala says investing in any fund should be based on the needs and profile of investors. "Usually, it is better to invest in an on-going fund instead of NFO unless the new fund offers an unique opportunity to invest that does not exist in current products," he says.

Similarly, Brijesh Damodaran, founder and managing partner, BellWether Advisors LLP, says if the NFO will invest in an entirely new category or sector or geography, then investors can consider investing in it. "This should be an entirely new and there should not be any other prevailing scheme. And this year, two such NFOs caught attention—S&P 500 scheme (targeting US stocks in S&P 500) and a healthcare index fund," he says.

Better to invest in existing schemes

While investing in NFOs may look attractive, experts suggest one should ideally invest in existing schemes as the investing style, assets under management, portfolio and past returns are known to the investors. "It is always better to give that investment cheque to someone who has a proven track record instead of a new fund. You always look at multiple parameters about the fund including the past performance and portfolio characteristics before investing in it. With these inputs not available for the new fund, it is better to invest in the existing fund," says Chetanwala.

An existing fund which has seen bull and bear market cycles will be better placed to give higher returns in the long run. Damodaran says, investors should typically stick to schemes with track records of two-three years. "And only if the NFO is totally unique in terms of its offerings and if not currently available, then they should do proper due diligence and then invest," he suggests.

Avoid investing in an NFO through systematic investment plan route. Investing for a long time should be based on the track record of the scheme. Even after investing in an NFO, review the performance of the fund regularly and monitor whether the fund is able to generate alpha over its benchmark.

● LIFE INSURANCE

Premium collections grow 6.1% in September

Private insurers reported APE growth of 13.1%, whereas LIC posted a marginal decline of 1.4%

WITH BUSINESS ACTIVITY restarting, the insurance industry has witnessed an improvement in annualised premium equivalent (APE) in September 2020. The industry reported APE growth of 6.1% — the first month of growth since February this year. Private insurers reported APE growth of 13.1%, whereas LIC posted a marginal decline of 1.4%.

Private players recorded 13.1% year-on-year (y-o-y) growth in APE, compared to an 8.3% decline in August. Retail APE for private players grew 3.6% (vs. down 5.8% in August). Group APE saw a strong performance with 70.5% growth y-o-y (vs. 20.9% decline in August 2020).

Private insurers

The share of private players on a total APE basis improved sequentially, with private insurers reporting 54.8% share (46.8% in August) against the peak of 60.2% in February. Private players have reported their best performance since the lockdowns began. The share of retail APE stood at 62.7% against 54.4% in August, whereas the share of group APE was volatile and stood at 37.5% against 25.5% in August 2020.

HDFC Life reported 41.6% y-o-y growth in APE in September to ₹7.4 billion, backed by strong retail as well as group APE. Retail APE at ₹6.1 billion grew 43.2% y-o-y. New business premium (NBP) at ₹20.3 billion grew 55.2% y-o-y, continuing its strong trend from July. Policy sales increased by 21.3% y-o-y. The retail APE ticket size rose 17.2% y-o-y in September, indicating the continued revival of Par (participating policies) and ULIP segments.

ILLUSTRATION: SHYAM KUMAR PRASAD

ICICI Prudential Life Insurance reported 24.1% y-o-y growth in APE to ₹8.7 billion on a received premium basis in September. Retail APE declined 23.9% y-o-y to ₹4.4 billion but group APE grew 252% y-o-y to ₹4.3 billion. Policy sales dropped 17.3% y-o-y in September, while the retail APE ticket size decreased by 8.4% y-o-y, showing sluggishness in ULIP demand.

Max Life reported APE growth of 15.2% y-o-y to ₹4.4 billion. Retail APE grew by 16.3% y-o-y to ₹4.2 billion. NBP grew by 21.3% y-o-y to ₹6 billion. Policy sales increased by 2.1% y-o-y, while the ticket size increased by 14% y-o-y.

SBI Life reported a 0.2% y-o-y growth in APE to ₹9.8 billion in September. Retail APE fell 4.4% y-o-y to ₹8.4 billion. NBP increased by 18% y-o-y to ₹22.3 billion. Policy sales increased by 6.9% y-o-y, while the ticket size fell 10.8% y-o-y.

Performance of LIC

Life Insurance Corporation of India (LIC) has reported flat numbers with a 1.4% y-o-y decline in APE. Retail APE grew by 4.8% y-o-y to ₹23 billion. NBP increased by 30.1% y-o-y to ₹166 billion. Policy sales declined by 3.1% y-o-y, while the ticket size improved by 2.1% y-o-y.

Edited extracts from Emkay Global's Insurance Tracker

BrandWagon

MONDAY, OCTOBER 12, 2020

NUMEROLOGY

Share of online sales in total retail sales:

■ In India: 5% ■ In the US: 16% ■ In China: 19.5%

— Anarock-RAI report

LIFESTYLE

Will watches stand the test of time?

As losses pile up, wristwatch manufacturers bet on gifting during the festive season to drive sales

VENKATA SUSMITA BISWAS

WHEN A LARGE fraction of India's workforce began working from home in March 2020, wristwatches became a forgotten or less important accessory. With lounge wear replacing work attire and fewer occasions to dress formally, the sales of wristwatches plummeted during Q1 FY21. As per Euromonitor International's latest estimate, the wristwatches market, which was worth ₹11,483 crore in 2019, is expected to shrink by about 11% to ₹10,164 crore this year. This will set the market back by a little more than two years.

The utility value of wristwatches has been waning — first with the advent of mobile phones, and now with jewellery, fitness trackers and smartwatches vying for the same pride of place.

Gifts to lift spirits

India's leading watchmaker, Titan, recorded a revenue of ₹75 crore in Q1 FY21 against ₹715 crore in the previous year, recording a y-o-y decline of 90%. Among Titan's various businesses, its watches vertical was the worst affected.

Timex Group India reported a widening of net loss to ₹12.42 crore in the quarter ended June 30, 2020. The company's revenue from operations dipped close to 89% for the quarter and stood at ₹6.81 crore, down from ₹61.78 crore last year.

The negative consumer sentiment and piling up of losses meant that watchmakers could not go all out with new launches for the season, as they typically would. "The summer months are crucial because of holidays and weddings that take place during the *lagan* season. We line up product launches for that period," says Suparna Mitra, CEO, watches and wearables division, Titan Company Limited.

Recently, however, Titan has launched three new collections and plans to introduce more as the festive season approaches. The company's sub-brand Sonata is hoping to entice its consumers in Tamil Nadu with a line of limited-edition Chennai Super Kings watches. G-Shock, the brand from Japanese watchmaker Casio, has launched two collections — GM-110 and a limited-edition Dragon Ball Z watch.

According to industry estimates, corporate gifting, watches for newlyweds, and gifting in general account for nearly 50% of watch sales. With personal discretionary purchases on hold, watch manufacturers hope gifting in the upcoming festive season will revive their businesses. Mitra says that since large scale gatherings are restricted, people will certainly consider gifting. "Watches are a very big part of gifting in India," she adds.

Casio India's VP, Kulbhushan Seth, says the company is noticing a revival in demand for watches after a sharp drop earlier in the year. "We have curated a festive collection to position Casio watches as an ideal gifting option."

Countdown to Diwali

It is unclear if gifting will save the day for wristwatch companies. "We may not see free-spirited gifting this festive season; people may spend half of what they spent last year," says Subramanyeswar S, group chief strategy officer, MullenLowe Lintas Group.

Analysts expect revival in watch sales to take longer than other discretionary segments such as apparel. Mitra says that there was a 20-25% surge in the weighted average sale price when consumers began spending. This indicates that middle and lower-middle class consumers, who contribute to low-value but high-volume sales, were holding back. Myntra reports that ₹5,000-7,000 is the popular price range for traditional watches currently, with metro cities driving demand.

Even discounts may not help this category. "Consumers have become immune to discounts as they are the norm across categories now," says Subramanyeswar.

One way to stimulate demand is by offering technology-based solutions. To this end, Titan has introduced the Titan Pay watch, which enables contactless payments of up to ₹2,000. Casio, too, is planning on adding a smartwatch to its portfolio this season.

However, the challenge here is the price point. "Wearables that can track health statistics are of primary utility for younger users and the upwardly mobile. Because wearables have a low entry barrier, they can easily replace a wristwatch," observes Samit Sinha, founder and managing partner, Alchemist Brand Consulting. A branded fitness tracker can cost as little as ₹1,200.

The only silver lining for watch manufacturers is that consumers will remain brand loyal. "Investing in a branded product acts as a lifestyle accessory will continue and only reduce in frequency. They may opt for a less expensive product, but will not shift to unbranded products," says business strategist Lloyd Mathias.

F&B

Cloud kitchens gain prominence

QSR chains look to scale up deliveries through cloud kitchens

DEVIKA SINGH

THE ORGANISED FOOD services industry, which garnered the lion's share of its revenue from dine-ins before the pandemic — almost 75% according to Crisil Research — is now dependent on takeaways and deliveries, as consumers prefer to stay indoors. To lessen the losses owing to the abysmally low footfall in restaurants, several companies are adopting the cloud kitchen model to quickly scale up deliveries.

Quick service restaurant (QSR) chain Mad Over Donuts has adopted the cloud kitchen model in Bengaluru; Malaysian QSR chain Momo King, too, is operating through cloud kitchens in Delhi-NCR. In June this year, multiplex chain Carnival Cinemas launched its cloud kitchen brand Purple Foods & Beverages.

According to a Zomato report released in August, dining was yet to bounce back and was operating at 8-10% of the pre-Covid levels. The food delivery side of the business, meanwhile, was clocking 75-80% of pre-Covid GMV.

Cheaper kitchens

To scale up in a cost-efficient manner, QSRs are tying up with cloud kitchen providers, who provide the basic infrastructure required for preparing the food and packaging it for deliveries. For instance, Momo King has partnered with Smart Kitchen Company to operate 11 kitchens in Delhi-NCR. According to Shyam Thakur, founder of Momo King, while it requires an investment of ₹12-15 lakh to set up a QSR outlet, a cloud kitchen can be started with only 40% of this capital.

The company plans to extend its cloud kitchen model to Chandigarh and Dehradun, and launch an app for deliveries. Its kitchens in Delhi-NCR, spread over 150-200 sq ft, service 60-70 orders a day.

Mad Over Donuts has taken a similar route, and tied up with Loyal Hospitality in Bengaluru and Rebel Foods in New Delhi. "We can service areas where we don't have our outlets through this model," says Tarak Bhattacharya, CEO, Mad Over Donuts.

The cloud kitchen model helps companies save on infrastructure costs, but reduces their margins drastically

Cloud kitchens contribute 10-12% to Mad Over Donuts' overall sales. The company shares 25% of its revenues with the cloud kitchen companies.

Carnival Cinemas, meanwhile, has a different reason to foray into cloud kitchens — to make better use of its infrastructure. "Our premises have a lot of unoccupied space. We are using it to create a retail model and generate more F&B revenue," says Sony Ravindranath, director and CEO, F&B, Carnival Group. The multiplex chain has opened 15 cloud kitchens, each measuring 150-200 sq ft, with an investment of ₹8-10 lakh per unit. It claims to be servicing about 50-55 orders a day through these kitchens, and has launched its app and delivery fleet besides tie-ups with food aggregators.

Marginal benefit

This model helps companies save on infrastructure costs, but reduces their margins drastically. It is a known fact that dine-in margins are much higher than deliveries, as companies don't have to split them with food aggregators or infrastructure providers. Thakur says that while Momo King makes a profit margin of 40% from dine-in orders, deliveries from the cloud kitchen model reduces it by more than half. Additionally, late delivery fees, penalties or return orders also make cloud kitchen deliveries an expensive proposition, especially when its average minimum order value is much lower than that of dine-in orders.

Amarjeet Singh, partner, tax regulatory and internet business, KPMG India, says that getting customers aboard will be a challenge for brands operating in this segment, as they are solely dependent on promotions by food aggregators. So, these companies hope to tide over this by launching their own apps. However, experts say consumers would rather download a single app where they can find several options.

In The News

Uday Shankar to move on from Disney-Star

UDAY SHANKAR WILL step down as president, The Walt Disney Company APAC, and chairman, Star and Disney India, effective as of December 31, 2020. The official announcement was made by Rebecca Campbell, chairman of Disney's direct-to-consumer and international segment. Shankar will work closely with Campbell to identify his successor to ensure a smooth transition, over the next three months. Shankar was previously president of 21st Century Fox Asia and the chairman & CEO of Star India.

Shavon Barua quits PHD India

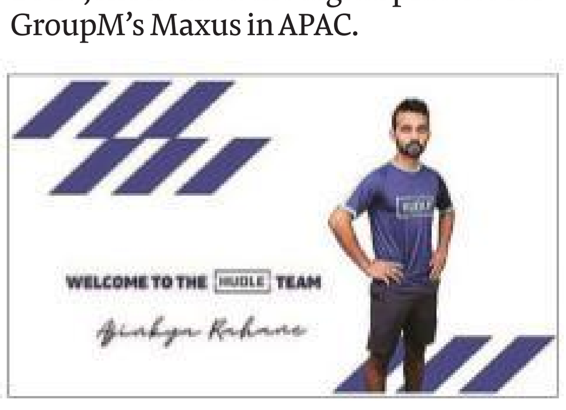
SHAVON BARUA, CHIEF client officer, PHD India, has called it quits. Prior to joining PHD in August 2015, Barua was serving as president - west & south India at Havas Worldwide. Barua has over two decades of industry experience, and has worked with agencies like JWT, Ambience Publicis and Rediffusion.

MediaCom is Uber's global media agency of record

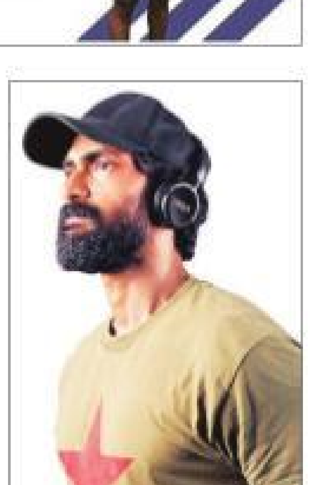
MEDIACOM HAS BEEN appointed as Uber's global media agency of record. The agency currently handles the account in the US and Australia. Effective January 1, 2021, the agency will oversee digital and offline brand media in all of Uber's active markets across North America, Latin America, EMEA and Asia.

Essence names Monica Bhatia as MD, Singapore

MONICA BHATIA, ESSENCE'S senior VP, client partner, APAC, has been given the additional role of leading the agency's Singapore operations as managing director. Prior to joining Essence in 2017, she headed the digital practice for GroupM's Maxus in APAC.



Sports tech start-up Hudle ropes in Ajinkya Rahane as brand ambassador



UBON gets Rana Daggubati aboard as its brand ambassador

Motobahn

CAR REVIEW: NEW RENAULT DUSTER 1.3 TURBO

More power to SUVs

The steering feedback—mechanical signals the front tyres send to the steering wheel—is so accurate that you feel every bump & dip on the road

Miles ahead in engine tech and driveability; cabin from a decade ago

VIKRAM CHAUDHARY

LIKE THE HYUNDAI Creta GDi variants and Kia Seltos T-GDi, the new Renault Duster powered by the 1.3-litre turbocharged petrol engine also offers the driver a spirited driving experience (in its segment). We drive it, and enjoy every minute driving, in and around Delhi.

The Duster is now an old car (it was first launched in 2012), but some design changes on the exterior help make it look contemporary, like the branding on roof rails, and the design of the front grille and alloy wheels. It definitely doesn't enjoy an imposing road presence that it did a few years ago, but does attract second glances every now and then.

The same can't be said of the cabin—it looks antique. From the touchscreen to the different controls on the steering wheel—the voice control stalk, for instance, is behind the steering wheel, on the right hand side—nothing looks fresh. But spacious it is, and seats possibly the most comfortable in its segment.

The turbocharged petrol engine has a cubic capacity of 1330cc (maximum power of 156PS and torque of 254Nm).

Turbocharged petrol

- Engine capacity: 1330cc
- Gearbox: 6-speed manual
- Gearbox: 7-step CVT
- Power: 156PS@5500rpm
- Torque: 254Nm@1600rpm
- Fuel efficiency: 16.5 km/litre

Why is it so powerful?

The engine—smaller than the 1498cc of another variant of the Duster—produces 50PS more power, and is more fuel efficient. Why? The reason is it is fitted with a device called the 'turbocharger', which sucks in hot exhaust gas from the engine to spin a turbine that compresses air, and that air is forced back into the engine cylinder, leading to more efficient combustion of the air-fuel mixture. The result is the engine produces more power, even as it consumes lesser fuel.

How does it drive?

A turbocharger only works when the engine has reached a defined RPM, so in the initial second or two the acceleration feels lethargic—called the 'turbo lag'—but soon enough this SUV accelerates so quickly, it'd leave you surprised.

A notable thing is its drivability. For example, the steering feedback it offers—mechanical signals that the front tyres send to the steering wheel—is so accurate that you feel every bump and dip on the road through the steering wheel. This leads to safer driving.

The claimed fuel efficiency is 16.5 km/litre, and while driving in and around Delhi I got 13 km/litre.

Should you buy one?

Its cabin looks dated (that's where you will spend the maximum time), and there are so many nicer options in the market today. But as far as turbocharged petrol engine options are concerned, the Duster 1.3 turbo is still the most affordable—while I drove the six-speed manual gearbox variant, the same engine is also available mated to a CVT gearbox with a seven-speed manual mode. Prices of turbo variants start from Rs 10.49 lakh for the manual, to Rs 13.59 lakh for the top-end CVT (ex-showroom, Delhi).

This big, luxurious SUV is an off-roader, too

Off-roading features are available only in Sharp and Savvy variants

VIKRAM CHAUDHARY

IT'S MG MOTOR INDIA'S huge endeavour, and it's surprisingly much more than a luxury SUV. The Gloster, launched last week and priced from Rs 28.98 lakh to Rs 35.38 lakh (ex-showroom), is an off-roader, too—much like its competitors (Toyota Fortuner and Ford Endeavour).

In terms of off-roading options offered, it's probably a step ahead. We drive it in a controlled environment (created by MG Motor India near Gurgaon).

So, what does it offer?

While I am almost certain no buyer of the Gloster will use all the off-roading modes available—seven drive modes (Snow, Mud, Sand, Eco, Sport, Auto and Rock)—this SUV has the bells and whistles in it to be termed an authentic SUV.

It's got the 'Intelligent All Terrain System' that, MG says, provides better control during off-roading with a dedicated rear differential and BorgWarner transfer case and an electronic shift-on-the-fly technology. The SUV has the electro-mechanical differential lock that ensures if it's stuck in a slippery terrain, it can obtain driving force by transferring 100% torque to the wheel with traction.

But these features are not available in the entry-level variants, but only in the Sharp and Savvy variants, priced Rs 33.68 lakh to Rs 35.38 lakh.

Infrastructure

MONDAY, OCTOBER 12, 2020

EXPERT VIEW

All major airlines showed an improvement in the passenger load factor (PLF) in August. SpiceJet reported the highest PLF of 76% in the month. Sector leader Indigo's market share remained steady at 59%

—ICICI Securities

MINING SECTOR

Rationalise levy of stamp duty

Differing and unclear methods to assess duty across states hinder investment prospects

SATNAM SINGH

AMENDMENTS IN MINERAL laws (both coal and non-coal) since early 2015 have paved the way for auctions as the method for allocation of mineral assets. A number of such assets in segments like coal, iron ore, limestone, bauxite, and gold, have been auctioned in the last over five years. Recently, the Union government opened up the coal sector to commercial mining, and around 38 coal blocks have been identified for auctions, as part of the ongoing first round of auctions. The idea is to bring down the coal imports of nearly 250 million tonnes per annum. The Ministry of Mines too is contemplating a series of reforms to enhance mineral production and promote private investment.

While the central government has been deregulating the mining sector, a commensurate effort is required at the state level for private investments to materialise. Under the current set-up, while coal blocks are allocated by the Centre and non-coal minerals by the states, the mining lease in all cases is executed by the states. A key issue being faced by bidders while participating in auctions is the lack of clarity on the stamp duty payable—which differs from state to state—even in cases where the auction is conducted by a state.

Prior to 2015, the leaseholder paid stamp duty on an estimate of the royalty or dead rent payable to a state. However, post auctions, the states started taking into account the auction premiums quoted by the successful bidder for the purpose of stamp duty. This resulted in a substantial increase over the previous regime, potentially thwarting the viability of coal mines. This was evident from the delays in starting of coal mines auctioned in states like Chhattisgarh in early 2015. The issue was eventually resolved by not considering auction premiums for calculation of stamp duty. During iron ore auctions in Karnataka in 2016, the state amended its stamp duty act to avoid a similar type of stalemate.

Overall, varying methodologies for stamp duty calculation across states affect the viability of projects, competition and bid premiums for mineral blocks. It is indeed laudable that the Ministry of Mines, as part of its proposed reforms, is taking up rationalisation of stamp duty. Here are a few suggestions that could be considered:

■ Stamp acts of the states and related procedures should be clear and comprehensive to avoid any ambiguity and misinterpretation.

■ Stamp duty should be calculated on the average grade of the mineral block, as per the Information Memorandum published by the state during the auction process.

■ Stamp duty should take into account the mine life, as per the mining plan, and not be based on the term of mining lease.

■ Instead of one-time upfront payment, stamp duty may be made payable in instalments, say, over a period of ten years or the mine life, whichever is lesser.

■ In the event a staggered payment schedule is adopted for stamp duty, the rates should be frozen for the payable time-period to avoid any changes in payouts at a later stage.

Mineral auctions have brought in transparency in allocation of coal and non-coal minerals. However, among the measures needed to make the process more effective is the rationalisation of methodologies to calculate stamp duty across states. Further, clear understanding should be provided on how the duty would be calculated at the time of auctions so that the same can be factored in while undertaking the feasibility assessment.

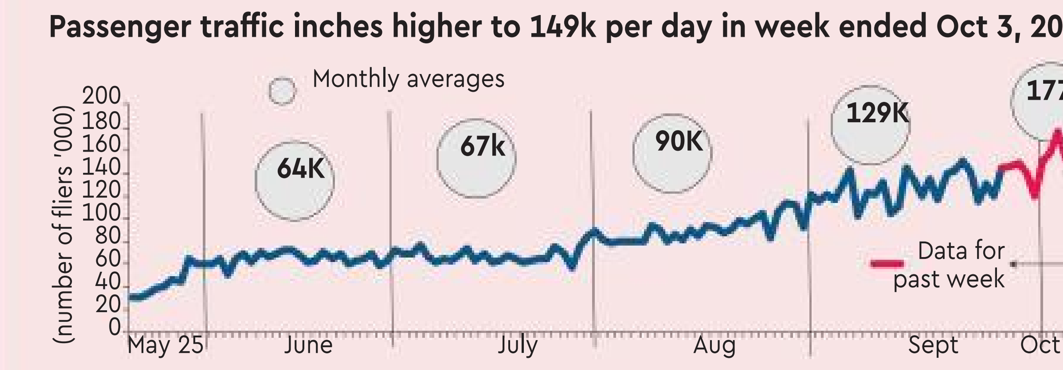
The writer is Director, Energy & Natural Resources, CRISIL Infrastructure Advisory

DATA MONITOR

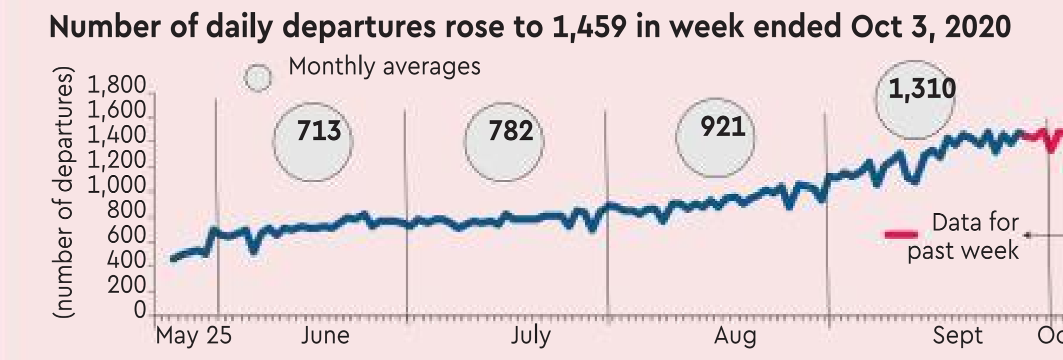
Air traffic figures clock steady improvement

For the week ending October 3, 2020, the average number of airline departures/day increased to 1,459 as compared to 1,442 in the fourth week of September 2020 and the number of fliers per departure improved to 102. In August, total passenger traffic had grown 34% m-o-m to 2.83 mn.

Passenger traffic inches higher to 149k per day in week ended Oct 3, 2020



Number of daily departures rose to 1,459 in week ended Oct 3, 2020



Monthly trend of average daily departures, departures and average passenger per departure

	Average daily passenger	Average daily departures	Average Passenger per departure
June	64,396	713	90.6
July	67,134	782	85.9
August	90,167	921	97.7
Sept	1,29,019	1,310	98.7
Oct'20 TD	1,62,249	1,493	108.6

Source: Ministry of Civil Aviation, I-Sec research

Quick View

15 companies submit 120 bids for private train operations

AS MANY AS 15 firms, including Spain's Construcciones y Auxiliar de Ferrocarrriles, Singapore-based Cube Highways, homegrown L&T and GMR, and state-run BHEL have put in a total of 120 applications among themselves, in response to a request for qualifications (RFQs) to run 151 passenger trains on 140 pairs of routes divided into 12 clusters. However, three large multinational manufacturers of trains – Bombardier, Siemens and Alstom – which had earlier evinced interest, were not on the latest list of RFQ applicants put out by the Ministry of Railways on Thursday. The scrutiny of the RFQ applications, likely to be completed in November, will be followed by the request for proposal (technical/financial bids) stage. The plan is to open the financial bids by March next year and award the projects in April.

Work on Jewar airport to start next year

THE UTTAR PRADESH government on Wednesday signed the concession agreement with representatives of Zurich Airport International for the development of the Noida international airport at Jewar, 90 km from Delhi. The airport, being developed on a PPP model, is scheduled to open in 2024. Speaking to *FE*, Daniel Bircher, MD and chairman of Yamuna International Airport (YIAPL), an SPV floated by the Zurich Airport, said work on the project would start six months after financial closure and land handover, adding the company was confident of achieving financial closure within the next six months. The airport, estimated to cost about ₹30,000 crore, will cater to 70 million passengers annually after completion of all four stages of the project.

Rays Experts commissions 600 MW solar projects

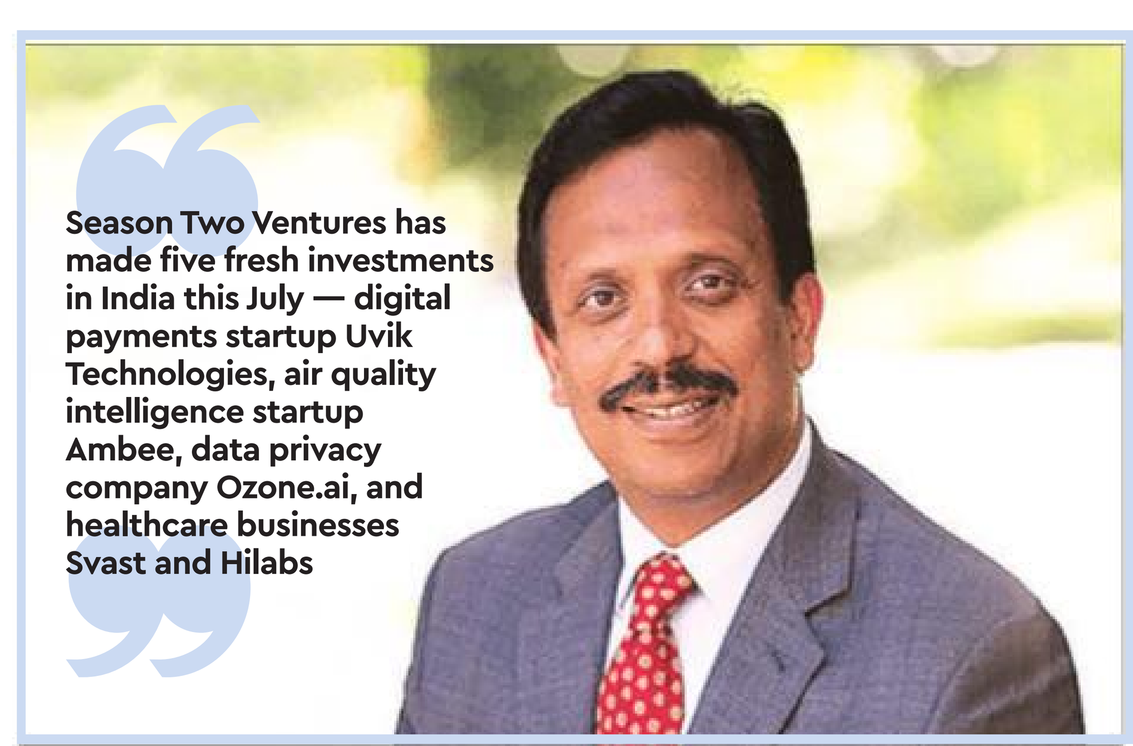
RAYS EXPERTS SAID last Monday it had successfully commissioned six solar parks in Rajasthan with a combined power capacity of 600 megawatt (MW). Rays Experts had invested ₹3,000 cr on the six parks which are spread across 2,500 acres of land, mainly in the districts of Bikaner and Jodhpur, and provide more than 4 lakh houses with renewable energy, a company statement said.

Startups

INTERVIEW: **SAJAN PILLAI**, CEO, Season Two Ventures

Artificial Intelligence skilling has to start from a young age

Season Two Ventures is an early-stage venture fund focused on deep tech/AI-enabled B2B solutions for large businesses in healthcare, fintech, retail, energy and utilities. Its CEO and managing partner, **Sajan Pillai** *(he holds patents in internet computing and data systems and is former CEO of UST Global), tells* **Sudhir Chowdhary** *that India can become the next AI superpower; but there needs to be a nation-wide prioritisation to upskill the younger generation and encourage governing bodies to push an AI-first agenda in a strategic manner. Excerpts:*



How do you compare India's AI strategy with that of China and the US?

The US and China are in a race to become the next AI superpower. In fact, China has closely followed the US' AI-focused strategy and will likely surpass it soon in terms of investments and innovations in this space. In terms of policy, the US government signed the American AI Initiative in 2019, detailing that there is going to be a strong federal push for AI upskilling. China has focused on a similar strategy, in addition to starting education and upskilling of graduates in this space at an early stage. China has doubled down to incentivise the return of AI professionals trained abroad, and the retention of quality AI specialists within the country, by offering subsidised access to resources and attractive pay packages.

India also has a high data availability and diversity along with high volume of data. Therefore, India can become the next AI superpower through innovation and advancement in technology.

Where does India stand currently in terms of global comparison?

India has the potential to match China in AI capabilities due to the degree of innovation that occurs and the accessibility to large datasets. However, there needs to be a nationwide prioritisation to upskill the younger generation in this space and encourage governing bodies to push an AI-first agenda in a strategic manner. AI has quickly become a focus here in India, with the number of AI startups and private investments growing rapidly.

The government has accelerated the application of AI in both agricultural and healthcare space. It has introduced a National Strategy for Artificial Intelligence in 2018, with a commitment to provide ₹3,000 crore in funding for AI-related initiatives across verticals. There is a pool of 1.7 million STEM graduates from India every year. India has an infrastructure oriented towards technology and IT services, the Indian education system and workforce have tremendous potential for upskilling and re-skilling, and directly focusing on AI-related opportunities.

How can the startup ecosystem help in India becoming an AI superpower?

India has a large number of startups and the entrepreneurial potential to be a major player globally in various sectors, but it needs a strong innovation engine to build deep companies of substance. Startups in India can leverage technology and AI for some of the crucial industries such as healthcare, agriculture, education, smart cities and infrastructure and strengthen the current position of India. Additionally, AI skilling needs to happen from a young age. AI in the education and healthcare sector is the need of the hour and startups must prevent "brain drain" by promoting a culture of innovation.

Has Season Two Ventures made any investments in Indian startups so far?

Season Two Ventures has made five fresh investments in India this July. We have backed digital payments startup Uvik Technologies, air quality intelligence startup Ambee, data privacy company Ozone.ai, and two healthcare businesses Svast and Hilabs. These are all relevant companies that can capture large markets in a post-Covid-19 world.

Indian policy in general makes it difficult for startups to receive funding. The government should focus on adopting best practices and policies to create a predictable, stable and transparent environment for investors. There is also a need to benchmark against other countries which can help reduce transaction costs. It is imperative to expand startup hubs and research labs across the country, and not just limit to Bengaluru and Hyderabad.

BLOWHORN

Making intra-city logistics efficient

The startup connects customers with mini-truck drivers for intra-city transport of goods via its website and mobile app

SRINATH SRINIVASAN

IN THE AGE of aggregators, very few logistics companies look at intrastate services, especially focussing on cities. However, Bengaluru-based Blowhorn decided to differentiate itself by offering micro fulfillment services. "In Bengaluru itself, we have several small warehouses, not more than 1000 sq.ft, spread across various localities. For consignments that needs some storage or transit, we keep them in these warehouses. None of these consignments stay for more than 24 hours," says Santosh Desai, CTO, Blowhorn.

Most logistics tech startups operate in a way similar to what cab aggregators do—connect transport vehicle owners with customers looking for transporting their goods. Blowhorn, however, wanted to go beyond that. "We want to provide end-to-end services which includes fulfillment services and analytics," says Desai. While it aggregates transport partners and drivers, it does not charge them. "If a driver says he wants to earn ₹1,000 a day, then our platform will connect him with trips that is relevant, based on the vehicle he drives. Our agreement is with the enterprise or whoever requires the logistics service and we charge them accordingly," explains Desai.

The platform not only uses technology to connect drivers and manage trips but also to manage this inventory. It also does not want to compete with large warehousing corporations. "If you ask me whether I want to have a big 10,000 sq.ft. warehouse or a 100 1000 sq.ft. warehouses, I would take the latter," he says.

> We tried drone deliveries but the landing surfaces needed to be marked precisely. In a country like India it is difficult right now.
>
> **SANTOSH DESAI, CTO, BLOWHORN**

The startup has raised $10 million so far from marquee investors that include Chiratae Ventures, Dell Foundation, Mistry Ventures, Draper Associates and several others. It is currently raising Series B1 round of funding.

The Covid-19 lockdown affected the logistics sector and Blowhorn too was hit by it. "Our business faced a drastic dip. Driver partners were affected. But it gradually improved. In this time period, we partnered with some FMCG brands which benifitted driver partners as well brought continuous business," he says.

However, there are some challenges that the industry continues to face irrespective of the lockdown. "We couldn't fully experiment and implement drone or autonomous delivery during the lockdown," says Desai. "We have to improve technology in many fronts. We tried drone deliveries but the landing surfaces needed to be marked precisely. In a country like India it is difficult right now."

Another problem is frauds and mishaps. Right now random checks are done at pick-up points, but with technology it could be done every single time, almost everywhere. "We track user behaviour. So we know when there is some discrepancy in consignment or shipping patterns. We can flag it and check," explains Desai. "In future, we can try to improve technology to check what's inside every consignment at fulfilment centres, perhaps with a handheld device/system."

Quick View

Union Govt allows free pricing for gas from new & upcoming fields

THE UNION CABINET on Wednesday approved standard bidding norms to discover the price of gas from new and upcoming fields. The move is aimed at augmenting production from these fields and reduce imports of the natural resource. These fields had already been given considerable pricing and marketing freedom over the last four years. However, there existed a lack of uniformity on bidding guidelines. The new fields (those other than the nominated fields) currently make up for less than fifth of the natural gas produced in the country, but this is expected to increase significantly in the coming years. The new bidding mechanism will impact the prices of fuel from the Krishna Godavari (KG) Basin on the east coast. The Union government recently slashed domestic gas prices from nominated fields by 25.1% to $1.79/mBtu.

NHAI project awards up 60% in first half of fiscal

THE NHAI ON Wednesday said it had awarded projects for building 1,330 km of highways in the April-September period, up 60% from the year-ago period, despite the challenges posed by the COVID-19 pandemic. The 40 projects are valued at ₹47,289 crore. "The projects awarded so far in first half of the current financial year are 1.6 times higher of (sic) 828 km awarded in FY19-20 and 3.5 times higher of 373 km awarded in FY18-19 during the same period," the National Highways Authority of India said in a statement. The agency was likely to exceed the target of awarding 4,500 km of projects in the current fiscal, it said.

Cabinet approves revised cost for Kolkata Metro line

THE UNION CABINET on Wednesday approved revised cost for Kolkata's East West Metro Corridor Project. The estimated completion cost of the project is ₹8,575 crore and the target date of completion is December, 2021. The project envisages construction of a Metro corridor between Salt Lake Sector-V and Howrah Maidan, a total route length of 16.6 km, Railway Minister Piyush Goyal said. It entails overcoming immense challenges like construction of a tunnel below the river Ganga.

Education

MONDAY, OCTOBER 12, 2020

EXPERT VIEW

Singapore is a high-priority market for Stanton Chase as its importance locally, regionally throughout the Asia-Pacific and globally cannot be overestimated with the level of executives and decision making that occurs there.

—Mickey Matthews, International Chairman, Stanton Chase

ONLINE EDUCATION

Challenges faced by rural students

Many teachers, students in rural areas are not able to match up to the technical skills of those in cities

Divya Jain

ILLUSTRATION: SHYAM KUMAR PRASAD

THE WHOLE WORLD is adjusting to the reality of the Covid-19 pandemic by finding alternatives to the disruptions caused thus far. Corporations, for example, are allowing their workforces to work from home, while schools and colleges are moving classes online.

In India, people are relying heavily on strong internet connections, computers, or smartphones to get back to business during the new normal.

The crisis has nudged students to pick up e-learning opportunities, as there is no end in sight. As the country takes to online education, the current pandemic is impacting rural students more than those who live in cities.

However, e-learning is transforming the sector even in remote rural areas. Tier-3 and tier-4 towns are upping the ante by investing in the enhancement of digital education processes. While many are making the most of what online learning offers, local authorities are finding it tough to integrate high-speed internet facilities. Moreover, people in rural areas have to also deal with intermittent power supply and older electronic devices, which are often a hindrance to seamless access.

Digital literacy and digital divide have been concerns for our country for over a decade. Rural teachers and students face roadblocks when moving from offline to online

Unfortunately, students in rural India are denied the newest devices and levels of accessibility to online content that urban Indians enjoy daily. Unlike their counterparts in cities, a lower percentage of students in villages possess desktop or laptop computers. They mostly depend on their family members' mobile phones for learning and attending classes, making it an arduous exercise. Watching small screens to consume as much information as possible for long hours could be detrimental to students' health.

Furthermore, purchasing data plans for learning could also incur a lot of expenses for families who face financial constraints. It could further affect the participation levels of both teachers and students concerning live classes.

Digital literacy and the digital divide have been serious concerns for our country for over a decade. Many teachers and students in rural areas are not able to match up to the technical skills of educationalists and students who live and work in cities. They face roadblocks when moving from offline to online education, which could be a reason for discontentment amongst rural communities. Collective efforts of civil society organisations, policymakers and the government are required to create a user-friendly digital interface so that teachers and students find it conducive for uninterrupted learning.

On the bright side, all the stakeholders have made significant investments in improving access to digital services and e-learning; building on pre-existing infrastructure could ease the process of digital inclusion. Teachers would be able to transition smoothly if they receive the requisite support. Local and national governments must work together with the IT and edtech sectors to speed up the process of bringing innovative and cost-effective online education tools to rural India.

The author is founder & CEO of Safeducate, a skills training provider

THE 'NEW NORMAL'

E-learning is here to stay

It's not just restricted to Covid-19; it's 'new normal'

ANANTH RAO

RESTRICTIONS AND LOCKDOWNS caused by the Covid-19 pandemic have seen technology become native across many aspects of one's daily life. Technology has been rapidly adopted in education, too, with e-learning or online learning gaining wide acceptance that will outlive the Covid-19 restrictions. In short, e-learning and e-learning solutions that were once considered optional have become fundamental to primary, secondary and higher education.

The need for e-learning

Gone are the days when the knowledge and benefits of e-learning to school owners, principals and academic heads had to be imparted. Academic institutions in specific, particularly K-12 schools, now know the existential importance of e-learning (solutions), considering the extended absence of traditional brick-and-mortar schooling methods.

During the early days of the lockdown, virtual classes delivered through video-conferencing tools were considered to be e-learning. The delivery of additional learning resources without a robust and secure delivery platform were scarce, with emails and social media tools being the primary mode of communication—be it homework, assignments, project work or assessments. E-learning is much more than just live classes and sharing of additional resources, it brings structure beyond classrooms to ensure continuity, collaboration and personalisation in learning using rich digital formats and other tools, thus making learning more interactive and inquiry-led for the learner.

Integral part of the 'new normal'

It is important that educational institutes 'blend' online learning and digital tools into their pedagogies and learning methodologies. Lessons taught should remain available for self-paced, anytime, anywhere access and supplemented with additional learning resources.

All the stakeholders in the e-learning ecosystem (students, teachers and parents) actively participate in a student's education by tracking learning progress, measuring learning outcomes and taking corrective action as required.

E-learning is no longer for the privileged few. With falling prices of smartphones and data, it is now accessible and affordable to most educational institutions and students. In fact, most e-learning solutions are now cloud-hosted, which means that no additional investment is required in hardware, like servers, smartboards, etc. It also offers greater flexibility and higher accessibility because of continuous tech advances.

The author is chairman, mPowerO, the e-learning mobile app. Views are personal

NZ-India to drive innovation in education

FE BUREAU

LASTWEEK Education New Zealand kick-started the inaugural New Zealand-India education week. "It discussed trends that will drive the future of education globally in the post Covid-19 era, and presented panel discussions featuring some of the prominent names in the education industry from New Zealand and India," Education New Zealand said in a statement. There were also master-classes run by academia from New Zealand universities, open house with Indian alumni and a showcase of New Zealand's Maori culture.

David Pine, New Zealand High Commissioner to India and Bangladesh, and Ambassador Designate to Nepal, said, "The Covid-19 pandemic has created the largest disruption of education systems in history, with the UN identifying 1.6 billion learners in 190 countries being affected. However, the crisis has also stimulated innovation within the education sector. We have seen innovative approaches in support of education. I would like to congratulate all participants for the innovative use of technology to continue conversation on education, research and careers."

John Laxon, Education New Zealand's Regional Director, Asia, added, "The New Zealand-India education week reflects our commitment to our education relationships in India, and we look forward to welcoming back Indian academics and students when it is safe to do so."

NEWS BRIEF

Edubull sees 400% jump in new users

Edubull, the edtech start-up, saw 400% growth in new users during the lockdown. Within a year of the launch, the start-up has had 1 lakh new users. It expects the number of active users to touch 3 lakh by the end of 2020, and cross 5 lakh by 2021, organically.

Stratbeans helps evaluate employees

Stratbeans, the learning solutions provider, has developed an AI proctoring solution to help firms measure skills and job knowledge adopted by employees working remotely. The solution aims to motivate employees and help them improve the quality of work.

Autobiography of Sandeep Aggarwal

Rupa Publications has launched the autobiography 'Fall Again, Rise Again' of Sandeep Aggarwal, who is the founder of two unicorn start-ups—Droom, ShopClues—celebrating his decade-long entrepreneurial journey. This autobiography, Droom said, will inspire budding entrepreneurs, students and even corporate professionals. The virtual release of the autobiography took place on October 10.

FE BUREAU

Science & tech

ISHAAN GERA

EAVESDROPPER

The world from above

Musk, Bezos, and Zuckerberg have their eyes set on the sky

LAST WEEK, AMIDST the humdrum surrounding coronavirus, Elon Musk made an announcement that may prove to be a game-changer for the internet. Famous for revolutionizing the electric car industry and space exploration, Tesla's founder announced that his company had launched 60 more satellites in the lower earth orbit and would soon be rolling out a public beta of his Starlink internet. In a tweet put out on Tuesday, Musk said "Once these satellites reach their target position, we will be able to roll out a fairly wide public beta in northern US & hopefully southern Canada. Other countries to follow as soon as we receive regulatory approval."

While Musk is still far away from his ambitious plan to put 40,000 satellites in the lower earth orbit, till now, he has only 770 satellites floating in the sky. However, the announcement assumes importance because of his promise of delivering fast internet at lower costs.

Musk claims he seems to have breached the first barrier at least. The company claims that Starlink can deliver 100Mbps download speed with 30 ms latency. The plan is to take the speed to 1Gbps.

Even if Musk can achieve 100 Mbps at present, with scale, even that would be comparable to most fibre optic networks across the world. And, a giant leap forward for satellite internet.

More important, it will serve the remotest destinations in the world without a hitch. The internet and broadband business does not have cut-throat competition as the cost of setting up the infrastructure is high. While metropolises still have a choice, rural area are, in most cases, stuck with one ISP. Satellite internet is expected to change all that.

However, satellite internet is not a new phenomenon. While satellite internet has been present for decades now, low speeds and high latency have hindered its adoption. A traditional internet satellite is placed at an orbit of 22,000 miles above the earth. Thus, the latency is close to a minute. But Musk is placing his satellites at a distance of 342 miles, which means it takes much less time to bounce the signal between the web server, satellite and you.

However, there are questions about how much the system can handle. While in its initial beta test with US Air Force, Starlink hit a speed of 610 Mbps, subsequent user testing has shown one-tenth the speeds and almost quadruple the latency that Musk is promising. However, these are still early days, and there are 39,000 more satellites to go. And, with the costs of satellite launches decreasing, there is also competition cropping up.

The other space race

Musk is not the only one betting on stars and satellites. He has some tough competitors in the business. While he is undoubtedly the first in promising to change the nature of satellite internet, these others are catching up fast, and there is no dearth of money to burn. Amazon founder Jeff Bezos is betting on his constellation project called Project Kuiper to place 3,200 satellites in the lower earth orbit to rival Musk.

Tesla's Falcon

Mark Zuckerberg and Facebook too have a plan for space. Athena is expected to roll out sometime this year as well and may rival Musk in his ambitious plans.

Besides, OneWeb and its new owners are also betting on similar success. While OneWeb was one of the oldest players in the game, earlier this year the SoftBank backed venture went bankrupt and sold its assets to a consortium led by the UK government and Bharti Global for a combined investment of $1 billion.

Cost and regulatory concerns

Space, however, is a tough market to crack and satellite internet is even tougher. The cost of launching a satellite may not be that prohibitive. But companies will still have to cover the ground with receiving stations and dishes. And, this is where regulatory approvals are required. For Musk or anyone else to offer seamless internet across the world, they would need to parley with each government to setup satellite links. Some countries may be more forthcoming, and some may not.

Besides, the high cost of dishes and the internet may prohibit companies from selling it to an average Joe. An enterprise may still be willing to spend that kind of money on a tower, but at what cost. So, many companies, with the exception of Starlink, are not even looking at consumers, but business use cases.

However, as Bloomberg article claims, the cost of placing a satellite in the lower earth orbit may itself be very high. The geo-stationary satellites, which are placed in a higher orbit, are longer lasting than the lower-earth ones. So, even if companies do go ahead with the plan, the replacement costs may mean that eventually, prices keep on rising. Besides, Bloomberg piece by Thomas Pfieffer and Thomas Seal also highlights experts pointing out that the cost of user terminal and antenna, which Musk claims to be only a few hundred dollars, may come close to $2,000.

The quiter option?

And, then there are the stargazers. Last week, as Musk celebrated the launch of new satellites, the United Nations Office of Outer Space affairs organized a workshop called "Dark and quiet skies for science and society." Astronomers are hoping to submit a report to the UN so that it can create guidelines on how much of a web, constellations like Starlink can spin around the earth. So, the sky is clear for astronomers and not cluttered with satellite constellations.

Any compromise would mean high latency and limited reach. Besides, it would also put pressure on the existing system to provide internet. An article published in *Reviews.org* had shown that with 400 satellites, the beta test of Starlink had a speed of 45 mbps and a latency of 75 ms. If the number of satellites stay limited and pressure on system increases, then Starlink may never be able to give higher speeds. A 45mbps will still be phenomenal for rural areas, which barely get 2G speeds, but costs would be prohibitive. As per Musk, the cost of dish would be in the range of $100-$300 and the plan may cost $80.

Facebook and Amazon may still be able to push usage by bundling services, but at such high costs use cases will be limited to only a few functions. Most probably, government-related work for authentication and verification or service like banking.

But there is still a market Tesla can tap. All-time internet will mean connected self-driving cars can relay information at all points of time.

There is still a future for most companies, if they find a way to bundle services.

Till now, all plans are up in the air.

ishaan.gera@expressindia.com

NEWS BRIEF

Specialised media courses by Adamas

Kolkata-based Adamas University has created new courses in media & communication; these include MA in Journalism, MSc in Media Technology, MA in entertainment media, MBA in Event & Experiential Marketing, and MBA in Communication Management. The duration is two years.

IITGN starts Covid-19 testing drive

The Indian Institute of Technology Gandhinagar (IITGN) has organised Covid-19 testing drive for its campus community. About 1,800 members, including faculty, staff, residents, support staff and students who are on campus and who come to work on the campus would undergo rapid antigen tests over the next few days.

LeapLearner starts new hybrid courses

LeapLearner has launched Hybrid Robotics Education Program in India. It is an amalgamation of physical robotics learning kit and interactive live online classes for kids to learn better. The course is launched at Rs 7,000; it includes 12 live online classes and learning kit with 42 components. Children will be able to create manual, semi-autonomous, autonomous robots. LeapLearner also plans to offer this course to K-12 schools across India starting next year.

Jiva Ayurveda gets teaching award

Jiva Ayurveda has been awarded national award by Haryana CM for its contribution to new teaching pedagogy in higher education in the institution category.

ISD starts courses for luxury start-ups

The International School of Design (ISD) has launched short online courses for luxury start-ups. These courses aim to show the grass-root level of founding a luxury business by putting the student at the heart of complex situations. The course duration is one month and it starts from October 12.

Cybernetyx starts EyeRIS for students

Cybernetyx has been ranked No. 1 in the interactive products market for smart classrooms in India. According to V4C Research Report, EyeRIS (by Cybernetyx) is the world's first AI-enabled classroom solution with tools like class recording tools, unlimited and free access to relevant educational content, and automatic handwriting and shape recognition tools to name a few.

FE BUREAU

Classifieds

BUSINESS OFFERS

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MISCELLANEOUS

PUBLIC NOTICE

My clients Charan Jit Singh Chadha S/o Late Gurbaksh Singh Chadha and Daljit Kaur Chadha W/o Charan Jit Singh Chadha both R/o 323, 2nd Floor, Sainik Vihar, Pitampura, Delhi-110034, have disowned their son Tarun Chadha, debarring him from all their moveable and immoveable properties due to his misbehavior and misconduct. If anybody dealing with him whatsoever shall be doing so at his/her/their own risk, cost and responsibility. My clients will not be responsible in any manner whatsoever.

Kamal Singh (Advocate)
Ch.no.512, Rohini Courts, Delhi-85

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NOTICE is hereby given to the Members of the Company to register their email addresses to enable them to receive Notice of 98th Annual General Meeting of the Company in electronic form as per Ministry of Corporate Affair's Circulars by sending email at **bieccolawrie1919@gmail.com** along with Name of Shareholder(s), Copy of Share Certificates and Self attested Address proof **before 20.10.2020**. No physical copy of Notice shall be send to Members.

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Notice for e-RFP (e-NIT)
for
Maintenance & Support of ADF / MIS System.

Tender Notice along with Complete tender document outlining the minimum requirements can be downloaded from and submitted on the Bank's e-Tendering Service Provider portal **https://eauction.auctiontiger.net** from **October 12, 2020, 17.00 Hrs.** onwards. Notice of the Tender and Tender Document can also be downloaded from Bank's Website **www.jkbank.com**. Last date for submission of Bids is **November 11, 2020, 17.00 Hrs.**

e-RFP Ref. No. JKB/T&D/MIS/2020-109
Dated 08-10-2020

The Jammu And Kashmir Bank

J&K Bank — Serving To Empower

The Jammu And Kashmir Bank
Estates & Engineering
(Electrical) Department
Corporate Headquarters
M.A. Road, Srinagar
190 001 J&K

Notice for e-RFP (e-NIT)
for
Comprehensive Annual Maintenance of Security Alarm Systems installed at various Branches/offices of the Bank in J&K, Ladakh & Rest of India.

Tender Notice along with Complete tender document outlining the minimum requirements can be downloaded from and submitted on the Bank's e-Tendering Service Provider portal **https://eauction.auctiontiger.net** from **October 12, 2020, 17.00 Hrs.** onwards. Notice of the Tender and Tender Document can also be downloaded from Bank's Website **www.jkbank.com**. Last date for submission of Bids is **November 04, 2020, 17.00 Hrs.**

e-NIT Ref. No. JKB/E&ED/Elect/2020-108
Dated 08-10-2020

INTEGRAL COACH FACTORY

TENDER NOTICE No. ICF / PCMM / EOT / 29 / 2020
Dated: 09.10.2020

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

Sl. No.	Tender No.	Tender Title	Qty.	Due Date
1	08202104	ONE SET OF AXLE MOUNTED DISC BRAKE EQUIPMENT	13 Set	22.10.2020
2	08201639	SUPPLY AND INSTALLATION OF ELECTRICAL CABLE TRAYS	51 Set	22.10.2020
3	07202423	S&I OF FRP PANELING WITH FIXING REQUIREMENTS FOR SIDE WALL, END WALL & PARTITION AND ROOF.	7 Set	27.10.2020
4	06201878	SUPPLY AND APPLICATION OF WET ON WET MODIFIED EXTERIOR PAINTING SYSTEM.	179 Set	27.10.2020
5	07202138	ONE COACH SET OF SEATS FOR DMU	31 Set	27.10.2020
6	08202073	SUPPLY OF STAINLESS STEEL TUBES AND DOUBLE FERRULE FITTINGS FOR MEMU/DMC3/3PH	49 Set	28.10.2020
7	04205393	VEL LUBRICANT OIL	1 Set	29.10.2020
8	01205125	VIDEO ENDOSCOPE (AS PER SPECIFICATION ATTACHED)	6 No.	30.10.2020
9	07202403	FRP BODY SIDE WINDOW ARRANGEMENT	3641 No.	02.11.2020
10	05201804	ALU CHANNEL PROFILE TO DRG NO. LE 10149 ALT-ANX-1, LENGTH-2000MM	6316 No.	02.11.2020
11	06201847	SUPPLY AND APPLICATION OF ONE COACH SET EPOXY PU PAINTS FOR DMC/TC/1600 HP	824 set	03.11.2020
12	06201912	UNF LED LIGHT FTG TYP-L, 18W FOR LACCW/N	10241 No.	03.11.2020
13	03201779	STAINLESS STEEL SHEET TO SIZE 1 X 1250 X 3500 MM	85000 kg	03.11.2020
14	06201942	S.S UNDERSLUNG WATER TANK	33 No.	03.11.2020
15	06201845	PAIR OF STAINLESS STEEL TUBULAR PARTITION (3 SEATER) AT DOOR WAY DRG.NO.DMU/TC/SS.	1638 PAIR	04.11.2020
16	06201899	RESIN BONDED FIBRE GLASS WOOL	602 Set	05.11.2020
17	03201769	WHEEL SET BEARING 130MM	8423 No.	04.12.2020

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HATHWAY BHAWANI CABLETEL & DATACOM LIMITED

Registered Office : 805/806, Windsor, 8th floor, Off CST Road, Kalina, Santacruz (East), Mumbai - 400098
CIN: L65910MH1984PLC034514
Tel No. (022) 40542500 Fax: (022) 40542700 Website: www.hathwaybhawani.com; Email: investors.bhawani@hathway.net

EXTRACT OF STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2020 (₹. in Lakhs)

Sr. No.	Particulars	Standalone						Consolidated					
		Quarter ended September 30, 2020 (Unaudited)	Quarter ended June 30, 2020 (Unaudited)	Quarter ended September 30, 2019 (Unaudited)	Half Year ended September 30, 2020 (Unaudited)	Half Year ended September 30, 2019 (Unaudited)	Year ended March 31, 2020 (Audited)	Quarter ended September 30, 2020 (Unaudited)	Quarter ended June 30, 2020 (Unaudited)	Quarter ended September 30, 2019 (Unaudited)	Half Year ended September 30, 2020 (Unaudited)	Half Year ended September 30, 2019 (Unaudited)	Year ended March 31, 2020 (Audited)
1	Total Income from Operations	111.79	117.02	116.43	228.81	234.02	513.25	111.79	117.02	116.43	228.81	234.02	513.25
2	Net Profit / (Loss) for the period (before Tax and Exceptional items)	36.47	44.75	35.72	81.22	81.32	216.08	36.47	44.75	35.72	81.22	81.32	216.08
3	Share of net Profit / (Loss) of Joint venture accounted for using the equity method	-	-	-	-	-	-	(0.92)	(2.71)	6.77	(3.63)	4.89	2.91
4	Net Profit / (Loss) for the period before tax (after Exceptional items)	36.47	44.75	35.72	81.22	81.32	216.08	35.55	42.04	42.49	77.59	86.21	218.99
5	Net Profit / (Loss) for the period after tax (after Exceptional items)	25.70	33.13	32.07	58.83	103.75	366.82	24.78	30.42	38.84	55.20	108.64	369.73
6	Total Comprehensive Income / (Loss) for the Period (comprising Profit / (Loss) for the period after tax and Other Comprehensive Income (after tax))	25.36	32.80	31.25	58.16	101.88	364.27	24.44	30.09	38.02	54.53	106.77	367.21
7	Paid up Equity Share Capital (Face value of Rs.10/- each)	810.00	810.00	810.00	810.00	810.00	810.00	810.00	810.00	810.00	810.00	810.00	810.00
8	Earnings Per Share - (Basic, Diluted and not annualised) (in Rs.)	0.32	0.41	0.40	0.73	1.28	4.53	0.31	0.38	0.48	0.68	1.34	4.56

Notes:-
1 The above is an extract of the detailed format of Financial Results for the quarter and half year ended on September 30, 2020 filed with Stock Exchange under Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The full format of the Quarterly Financial Result is available on the Stock Exchange website (www.bseindia.com) and on the Company website (www.hathwaybhawani.com).
2 The above results have been reviewed by the Audit committee and approved by the Board of Directors in its meeting on October 10, 2020.

FOR HATHWAY BHAWANI CABLETEL & DATACOM LTD
Sd/-
PRANJALI GAWDE
DIRECTOR
DIN: 08754715

Place : Mumbai
Date : October 10, 2020

PUBLIC NOTICE

FOR THE ATTENTION OF THE CREDITORS OF
ALCHEMIST TOWNSHIP INDIA LTD.

All concerned are hereby informed that the CIRP process of Alchemist Township India Ltd. has been revived by the order dated 01.10.2020 of Hon'ble NCLT, New Delhi Bench. The all concerned are requested to refer to the public announcement published on 02.02.2019 in Financial Express (English), Jansatta (Hindi) and Charhdikala (Punjabi) to file their claims with the undersigned.

For **Alchemist Township India Ltd.**
Pramod Goel
Interim Resolution Professional
IBBI/IPA-001/IP-P00282/2017-18/10526
Email: ip.alchemsttown@gmail.com

INTEGRAL COACH FACTORY

TENDER NOTICE No. ICF / EL / Cons / 2020-21
Date: 12.10.2020

For and on behalf of The President of India, The Dy. Chief Electrical Engineer / Construction / Shell, Integral Coach Factory, invites E - Tender for the following work.

Tender No.	Name of the Work	Approx. Value in Lakhs (₹)	EMD (₹)	Tender Closing Date and Time	Tender Document Cost (₹)
(1)	(2)	(3)	(4)	(5)	(6)
2020245210213 (EL-W-816)	**Enhancement of Power Supply arrangement in Shop - 30 Despatch Shed & Shop-33 (LHB / AC Coaches & Power Cars) for implementing SCADA in Furnishing Division**	**49.99**	**1,00,000/-**	**12.11.2020 15.30 Hrs**	**3,000/-**

Web site for submission of offer : **www.ireps.gov.in.**
Hindi version of the above tender notification is available in **https://icf.indianrailways.gov.in**

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This is a public announcement for information purposes only and is not a prospectus announcement. This does not constitute an invitation or offer to acquire, purchase or subscribe for securities. Not for release, publication or distribution, directly or indirectly, outside India.

MAZAGON DOCK SHIPBUILDERS LIMITED

Our Company was incorporated in Bombay as a private limited company on February 26, 1934 as Mazagon Dock Private Limited with the Registrar of Companies, Bombay under the Indian Companies Act, 1913. For further details in connection with change in name and registered office of our Company, see "*History and Certain Corporate Matters -Brief history of our Company*" and "*History and Certain Corporate Matters - Changes in the Registered Office*" on pages 150 and 150 respectively, of the Prospectus dated October 5, 2020 ("**Prospectus**").

Registered and Corporate Office: Dockyard Road, Mumbai - 400010, Maharashtra, India. **Contact Person:** Vijayalakshmi Kumar, Company Secretary and Compliance Officer;
Telephone: +91 22 2376 2000; **E-mail:** investor@mazdock.com; **Website:** https://mazagondock.in; **Corporate Identity Number:** U35100MH1934GOI002079

OUR PROMOTER: THE PRESIDENT OF INDIA, ACTING THROUGH THE MINISTRY OF DEFENCE, GOVERNMENT OF INDIA

Our Company has filed the Prospectus dated October 5, 2020 with the RoC, and the Equity Shares are proposed to be listed on the National Stock Exchange of India Limited ("**NSE**") and BSE Limited ("**BSE**" and together with NSE, the "**Stock Exchanges**"), and trading is expected to commence on October 12, 2020.

BASIS OF ALLOTMENT

INITIAL PUBLIC OFFERING OF 30,599,017 EQUITY SHARES OF FACE VALUE OF ₹10 EACH ("EQUITY SHARES") OF MAZAGON DOCK SHIPBUILDERS LIMITED (OUR "COMPANY" OR THE "ISSUER") THROUGH AN OFFER FOR SALE BY THE PRESIDENT OF INDIA, ACTING THROUGH THE MINISTRY OF DEFENCE, GOVERNMENT OF INDIA (THE "SELLING SHAREHOLDER"), FOR CASH AT A PRICE OF ₹145 PER EQUITY SHARE (THE "OFFER PRICE"), AGGREGATING TO ₹4,436.86 MILLION (THE "OFFER").

345,517 EQUITY SHARES WERE RESERVED FOR ELIGIBLE EMPLOYEES (AS DEFINED IN THE RHP) (THE "EMPLOYEE RESERVATION PORTION"). THE OFFER LESS EMPLOYEE RESERVATION PORTION IS REFERRED TO AS THE NET OFFER. THE OFFER COMPRISED OF A NET OFFER OF 30,253,500 EQUITY SHARES AND THE EMPLOYEE RESERVATION PORTION OF 345,517 EQUITY SHARES. THE OFFER AND THE NET OFFER CONSTITUTES 15.17% AND 15.00% RESPECTIVELY OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS ₹10 EACH. THE OFFER PRICE IS ₹145 PER EQUITY SHARE AND IS 14.5 TIMES THE FACE VALUE OF THE EQUITY SHARES.

OFFER PRICE: ₹145 PER EQUITY SHARE OF FACE VALUE OF ₹10 EACH
THE OFFER PRICE IS 14.5 TIMES OF THE FACE VALUE

Risks to Investors:

i. **The five Book Running Lead Managers associated with the Offer have handled 24 public offers in the past three years, out of which 10 issues closed below the offer price on the listing date.**
ii. **Price/Earning ratio based on diluted EPS for Fiscal 2020 for the Issuer at the upper end of the Price Band is as high as 6.79.**
iii. **Average cost of acquisition of Equity Shares for the Selling Shareholder in Offer is ₹(16.47) per Equity Share and Offer Price at upper end of the Price Band is ₹145.**
iv. **Weighted average return on Net Worth for Fiscals 2020, 2019 and 2018 is 16.21%.**

BID/OFFER PROGRAMME:
BID/OFFER OPENED ON TUESDAY, SEPTEMBER 29, 2020
BID/OFFER CLOSED ON THURSDAY, OCTOBER 01, 2020

The Offer was made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("**SCRR**"), read with Regulation 31 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**"). The Offer was made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Net Offer was available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIB Portion**"). 5% of the QIB Portion was available for allocation on a proportionate basis to Mutual Funds only. The remainder of the QIB Portion was available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Offer was available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% 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 from them at or above the Offer Price. Further, 345,517 Equity Shares were offered for allocation and Allotment on a proportionate basis to the Eligible Employees Bidding in the Employee Reservation Portion, conditional upon valid Bids being received at or above the Offer Price. All Bidders were required to participate in the Offer mandatorily through the Applications Supported by Blocked Amount ("**ASBA**") process by providing the details of their respective bank accounts (including UPI ID, in case of RIBs) which was blocked by the SCSBs or the bank accounts linked with the UPI ID, as applicable, to participate in the Offer. For details, see "*Offer Procedure*" on page 361 of the Prospectus.

The Offer received 2,368,517 applications for 4,758,387,918 Equity Shares resulting in 155.508 times subscription, before technical rejections. The details of the applications received in the Offer from Retail Individual Investors, Non-Institutional Investors and QIBs are as under (before technical rejections and after multiple bids):

Sl. no	Category	No. of Applications applied	No. of Equity Shares	Shares Reserved as per Prospectus	No. of times Subscribed	Amount (₹)
A	Retail Individual Investors	2,356,377	340,415,716	10,588,725	32.14888629	49,364,431,221.00
B	Non Institutional Investors	6,197	3,057,137,747	4,538,025	673.6714203	443,283,450,048.00
C	Qualified Institutional Investors	153	1,359,505,343	15,126,750	89.8742521	197,128,274,735.00
D	Eligible Employees	5,790	1,329,112	345,517	3.846734025	192,742,615.00
	Total	**2,368,517**	**4,758,387,918**	**30,599,017**	**155.507869**	**689,968,898,619.00**

Final Demand

A summary of the final demand as per BSE and NSE as on the Bid/Offer Closing Date at different Bid prices is as under:

Sr. No	Bid Price	No. of Equity Shares	% to Total	Cumulative Total	% Cumulative Total
1	135.00	1,745,438	0.04	4,816,543,165	100.00
2	136.00	113,300	0.00	4,814,797,727	99.96
3	137.00	109,592	0.00	4,814,684,427	99.96
4	138.00	132,355	0.00	4,814,574,835	99.96
5	139.00	54,178	0.00	4,814,442,480	99.96
6	140.00	671,972	0.01	4,814,388,302	99.96
7	141.00	61,903	0.00	4,813,716,330	99.94
8	142.00	73,233	0.00	4,813,654,427	99.94
9	143.00	69,834	0.00	4,813,581,194	99.94
10	144.00	153,161	0.00	4,813,511,360	99.94
11	145.00	4,509,491,616	93.63	4,813,358,199	99.93
12	CUTOFF	303,866,583	6.31	303,866,583	6.31
	Total	**4,816,543,165**	**100.00**		

The Basis of Allotment was finalized in consultation with the Designated Stock Exchange, being BSE on October 07, 2020.

A. Allotment to Retail Individual Investors (After Technical Rejections) (including ASBA Applications)

The Basis of Allotment to the Retail Individual Investors, who have bid at cut-off or at the Offer Price of ₹145 per Equity, was finalized in consultation with BSE. This category has been subscribed to the extent of 30.81 times. The total number of Equity Shares Allotted in Retail Individual Bidders category is 10,588,725 Equity Shares to 102,803 successful applicants. The category-wise details of the Basis of Allotment are as under:

Category	No. of Applications Received	% of Total	Total No. of Equity Shares Applied	% to Total	No. of Equity Shares allotted per applicant	Ratio	Total No. of Equity Shares Allotted
103	2,001,883	88.59	206,193,949	63.21	103	1:22	9,380,416
206	122,157	5.41	25,164,342	7.71	103	1:22	572,371
309	40,128	1.78	12,399,552	3.80	103	1:22	188,078
412	16,966	0.75	6,989,992	2.14	103	1:22	79,516
515	17,524	0.78	9,024,860	2.77	103	1:22	82,091
618	8,071	0.36	4,987,878	1.53	103	1:22	37,801
721	7,010	0.31	5,054,210	1.55	103	1:22	32,857
824	2,661	0.12	2,192,664	0.67	103	1:22	12,463
927	1,934	0.09	1,792,818	0.55	103	1:22	9,064
1,030	8,275	0.37	8,523,250	2.61	103	1:22	38,728
1,133	1,279	0.06	1,449,107	0.44	103	1:22	5,974
1,236	2,269	0.10	2,804,484	0.86	103	1:22	10,609
1,339	29,603	1.31	39,638,417	12.15	103	1:22	138,741

B. Allotment to Non Institutional Investors (After Technical Rejections) (including ASBA Applications)

The Basis of Allotment to the Non-Institutional Investors, who have bid at the Offer Price of ₹145 per Equity Share or above, was finalized in consultation with BSE. This category has been subscribed to the extent of 668.03 times. The total number of Equity Shares allotted in this category is 4,538,025 Equity Shares to 1,619 successful applicants. The category-wise details of the Basis of Allotment are as under: (Sample)

Category	No. of Applications Received	% of Total	Total No. of Equity Shares Applied	% to Total	No. of Equity Shares allotted per applicant	Ratio	Total No. of Equity Shares Allotted
1,442	1,487	24.88	2,144,254	0.07	103	1:48	3,193
1,545	413	6.91	638,085	0.02	103	1:46	927
1,648	85	1.42	140,080	0.00	103	0.14	206
1,751	46	0.77	80,546	0.00	103	1:46	103
1,854	33	0.55	61,182	0.00	103	1:33	103
1,957	21	0.35	41,097	0.00	103	1:21	103
2,060	296	4.95	609,760	0.02	103	1:37	824
2,163	54	0.90	116,802	0.00	103	1:54	103
2,266	24	0.40	54,384	0.00	103	1:24	103
2,369	16	0.27	37,904	0.00	103	1:16	103
2,472	10	0.17	24,720	0.00	103	0:00	0
2,575	73	1.22	187,975	0.01	103	2:73	206

C. Allotment to QIBs (After Technical Rejections)

Allotment to QIBs, who have bid at the Offer Price of ₹145 per Equity Share or above, has been done on a proportionate basis in consultation with BSE. This category has been subscribed to the extent of 89.87 times of Net QIB portion. As per the SEBI Regulations, Mutual Funds were allotted 5% of the Equity Shares of Net QIB portion available i.e. 756,338 Equity Shares and other QIBs and unsatisfied demand of Mutual Funds were allotted the remaining available Equity Shares i.e. 14,370,412 Equity Shares on a proportionate basis. The total number of Equity Shares allotted in the QIB category is 15,126,750 Equity Shares, which were allotted to 153 successful Applicants.

Category	FIs	FPIs	ICs	MFs	Others	Total
QIB	30	31	21	35	36	**153**

D. Allotment to Employees under Employee Reservation (After Technical Rejections)

The Basis of Allotment to the Eligible Employees under Employee reservation portion, who have bid at the Offer Price of ₹145 per Equity Share or above, has been done on a proportionate basis in consultation with BSE. This category has been subscribed to the extent of 1.47 times. The total number of Equity Shares Allotted in Employee category is 345,517 Equity Shares to 746 successful applicants.

The category-wise details of the Basis of Allotment are as under (sample):

Category	No. of Applications Received	% of Total	Total No. of Equity Shares Applied	% to Total	No. of Equity Shares allotted per applicant	Ratio	Total No. of Equity Shares Allotted
103	155	19.90	15,965	3.67	103	37:47	12,566
206	146	18.74	30,076	6.92	164	1:1	23,944
309	89	11.42	27,501	6.33	246	1:1	21,894
412	57	7.32	23,484	5.40	328	1:1	18,696
515	49	6.29	25,235	5.81	409	1:1	20,041
618	34	4.36	21,012	4.84	491	1:1	16,694
721	34	4.36	24,514	5.64	573	1:1	19,482
824	14	1.80	11,536	2.65	655	1:1	9,170
927	2	0.26	1,854	0.43	737	1:1	1,474
1,030	33	4.24	33,990	7.82	819	1:1	27,027
1,133	9	1.16	10,197	2.35	901	1:1	8,109
1,236	10	1.28	12,360	2.84	983	1:1	9,830
1,339	147	18.87	196,833	45.30	1065	1:1	156,555

The IPO committee of the Company at its meeting held on October 8, 2020 has taken on record the Basis of Allotment of Equity Shares approved by the Designated Stock Exchange, being BSE and has allotted the Equity Shares to various successful applicants. The Allotment Advice cum Refund Intimation has been mailed to Investors who have registered their email IDs with depositories. The Investors who have not registered their email IDs with depositories have been sent the Allotment Advice cum Refund Intimation through post. Further, instructions to the SCSBs have been issued for unblocking of funds and transfer to the Public Offer Account on October 8, 2020 and the payments to non-syndicate brokers have been issued on October 9, 2020. In case the same is not received within ten days, investors may contact the Registrar to the Offer at the address given below. The Equity Shares allotted to the successful allottees have been uploaded on October 8, 2020 for credit into the respective beneficiary accounts subject to validation of the account details with the depositories concerned. The Company has obtained the listing and trading approval from BSE and NSE, and trading is to commence on October 12, 2020.

Note: All capitalized terms used and not defined herein shall have the respective meanings assigned to them in the Prospectus.

INVESTORS PLEASE NOTE

These details of the Allotment made shall be hosted on the website of Registrar to the Offer, ALANKIT ASSIGNMENTS LIMITED at www.alankit.com

All future correspondence in this regard may kindly be addressed to the Registrar to the Offer quoting full name of the First/ Sole applicant, Serial number of the ASBA form, number of Equity Shares bid for, name of the Member of the Syndicate, place where the bid was submitted and payment details at the address given below:

Alankit
Health & Wealth, We Manage Both

ALANKIT ASSIGNMENTS LIMITED

Address: Alankit Heights, 1E/13 Jhandewalan Extension, New Delhi – 110055.
Telephone: +91 11- 4254 1954/971/933, +91 22-4348 1257; **Email:** kamalarora@alankit.com, abhinavka@alankit.com;
Website: www.alankit.com; **Investor Grievance ID:** mdligr@alankit.com;
Contact Person: Kamal Arora/ Abhinav Kumar Agrawal/Virender Sharma; **SEBI Registration Number:** INR000002532

For **Mazagon Dock Shipbuilders Limited**
On behalf of the Board of Directors
Sd/-
Company Secretary & Compliance Officer

Place : Mumbai
Date : October 9, 2020

THE LEVEL OF SUBSCRIPTION SHOULD NOT BE TAKEN TO BE INDICATIVE OF EITHER THE MARKET PRICE OF THE EQUITY SHARES ON LISTING OR THE BUSINESS PROSPECTS OF MAZAGON DOCK SHIPBUILDERS LIMITED.

MAZAGON DOCK SHIPBUILDERS LIMITED has filed the Prospectus with the Registrar of Companies, Maharashtra at Mumbai and SEBI. The Prospectus is available on the website of Securities and Exchange Board of India at www.sebi.gov.in, on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com as well as on the websites of the book running lead managers, YES Securities (India) Limited at www.yesinvest.in, Axis Capital Limited at www.axiscapital.co.in, Edelweiss Financial Services Limited at www.edelweissfin.com, DAM Capital Advisors Limited (Formerly known as IDFC Securities Limited) at www.damcapital.in and JM Financial Limited at www.jmfl.com, respectively. Investors should note that investment in equity shares involves a high degree of risk and for details relating to such risk, see "*Risk Factors*" of the Prospectus.

Due to various national security concerns, certain material information in relation to our business, operations and prospects has been classified as 'confidential' by the MoD and by us. As a result we have not (i) disclosed such information in the Prospectus; or, (ii) provided such information to the BRLMs, the legal counsels and / or other intermediaries involved in this Offer. We therefore cannot assure you that the Prospectus contains all material information as necessary for investors to make an informed investment decision and hence the Prospectus may not be complete to that extent. For further information please see "Risk Factors - As a result of national securities concerns, certain information in relation to our business and operations is classified as 'secret and confidential' for which we have received the SEBI Exemption Letter I pursuant to which we have not disclosed such information in this Prospectus nor provided such information to the BRLMs, other intermediaries and advisors involved in the Offer. Consequently, this Prospectus may not contain complete information about us, our products, business, operations, customers, etc." on page 25 of the Prospectus.

This announcement has been prepared for publication in India and may not be released in the United States. This announcement is not an offer to sell, nor a solicitation of any offer to buy, securities of our Company in the United States. The Equity Shares referenced herein have not been, and will not be, registered with the U.S. Securities and Exchange Commission under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any U.S. state securities administrator under any applicable U.S. state securities laws, and unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. The Equity Shares are being offered and sold outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of each jurisdictions where such offers and sales are made.

CONCEPT