NEW DELHI, MONDAY, FEBRUARY 1, 2021

FOLLOW US ON TWITTER & FACEBOOK. APP AVAILABLE ON APP STORE & PLAYSTORE WWW.FINANCIALEXPRESS.COM

FINANCIAL EXPRESS

READ TO LEAD

VOL. XLVI NO. 288, 22 PAGES, ₹6.00 (PATNA ₹6.00, RAIPUR ₹7.00) PUBLISHED FROM: AHMEDABAD, BENGALURU, CHANDIGARH, CHENNAI, HYDERABAD, KOCHI, KOLKATA, LUCKNOW, MUMBAI, NEW DELHI, PUNE

WWW.FINANCIALEXPRESS.COM

OFFICE OF THE COMMISSIONER OF INCOME TAX (JUDICIAL)
ROOM NO. 162-A, C.R. BUILDING, NEW DELHI
Phone & Fax: 23379308,
Email: delhi.cit.judicial@incometax.gov.in

F.No. CIT (Judl.)/NCLT Matter/2020-21/2089 **Dated- 18.01.2021**

NOTICE REGARDING HEARING OF CASES IN NCLT MATTERS

Notice is hereby given to the following companies and their Directors for necessary compliance in respect of NCLT matters/cases, which are fixed for hearing before Hon'ble National Company Law Tribunal, CGO Complex, Lodhi Road, New Delhi on dates as mentioned in column no. 4 in the table below:-

S. No.	Case Number and Case Title	Name(s) of the Last Known Directors	Next Date of Hearing	In Court No.
1.	Appeal No.88/252/ND/2020 Income Tax Officer, Ward 20(3) Vs. Roc & R A Healthcare Pvt. Ltd. PAN:AAECR367H	1. Surender Kumar Jain DIN: 00632032 2. Samta Jain DIN: 01667041 3. Deepak Singh DIN: 02555707	04.02.2021	6
2.	Appeal No. 80/252/ND/2020 Income Tax Officer, Ward 20(3) Vs ROC & RCS Property Pvt, Ltd. PAN: AAECR4907Q	1. Dev Kumar Sharma DIN: 02720738 2. Pratap Singh DIN: 02875616 3. Rakesh Kumar Bhargava DIN: 03595416	05.02.2021	6
3.	Appeal No. 61/252/ND/2020 Income Tax Officer Ward 20(3) Vs. ROC & RR Research And Consultants Pvt. Ltd. PAN NO. : AAFCRI352J	1. Ankur Gupta DIN: 03122183 2. Rohit Gupta DIN: 03340938	05.02.2021	5
4.	Appeal No. 87/252/ND/2020 Income Tax Officer Ward 24(2) Vs. ROC & M/s Star Compugraphics Pvt. Ltd. PAN NO. : AAHCS6777J	1. Prema Radhakrishanan DIN: 02175525 2. Kunnath Kondayil Radhakrishnan DIN: 02205530	05.02.2021	4
5.	Appeal No. 50/252/ND/2020 Income Tax Officer Ward 20(3) Vs. ROC & M/s RAS Security Service Pvt. Ltd. PAN NO.: AADCR2619C		05.02.2021	4
6.	Appeal No. 210/252/ND/2020 Income Tax Officer Ward 19(1) Vs ROC (Olivia Tradelinks India Pvt. Ltd.) (PAN: AACCO1602D)	1. Niraj Thakur DIN:07441621 2. Raghu Ranjan Walia DIN:07441638	08.02.2021	2
7.	Appeal No. 1019/252/ND/2019 Income Tax Officer, Ward 20(1) Vs. ROC & M/s Protech Print Pack Pvt. Ltd. PAN NO.: AADCP6580A	1. Abhay Kumar DIN: 00491897 2. Hari Singh DIN: 00582679	09.02.2021	4
8.	Appeal No. 70/252/ND/2020 Income Tax Officer Ward 20(3) Vs. ROC & M/s R.B. Impex Pvt. Ltd. PAN NO. : AABCR6417J		09.02.2021	4
9.	Appeal No.1020/252/ND/2019 Income Tax Officer Ward 20(1) Vs. ROC & M/s Prayukti Publications Pvt. Ltd. PAN NO. : AATCS7805F	1. Sampath Kumar Surappagari DIN: 06675064 2. Vinay Kumar Guli DIN: 06675258	09.02.2021	4
10.	Appeal No. 2/252/ND/2019 Income Tax Officer Ward 20(1) Vs. ROC & M/s Pritonics Auto Pvt. Limited PAN NO. : AAACP6371L	1. Paramjeet Singh Bhasin DIN:02775102 2. Manpreet Kaur Bhasin PAN: AIOPB2985M	10.02.2021	4
11.	Appeal No. 145/252/ND/2020 Income Tax Officer Ward 20(3) Vs. ROC & M/s Qubiq Square IT Solution Pvt. Ltd. PAN NO.: AADCQ2146G	1. Syed Muksit Rahman DIN: 02924506 2. Gargee Dutta Mudoi DIN: 03330102	10.02.2021	3
12.	Appeal No. 147/252/ND/2020 Income Tax Officer Ward 20(3) Vs ROC & M/s. R Sons Builders Pvt. Ltd. PAN: AAACR1057R	1. Vinod Kumar Aggarwal DIN: 0167984 2. Rajni Aggarwal DIN: 01753599 3. Gomti Devi DIN:01753614	11.02.2021	4
13.	Appeal No. 700/252/ND/2020 Income Tax Officer, Ward 22(1) Vs ROC (M/s S&Techs (India) Construction Company Pvt. Ltd.) PAN: AALCS9269B	1. Nobuo Shige Mizu DIN: 02094075 2. Che Hung Eric Ng DIN: 02094098 3. Devendra Singh Bhati	12.02.2021	5
14.	Appeal No. 08/252/ND/2019 Assistant Commissioner Of Income Tax Central Circle (26) Vs. ROC & (Sai Infoweb Pvt. Ltd.) (PAN: AALCS5794H)	1. Anil Kumar DIN:02481958 2. Nitin Kumar Chadda DIN:02735479	15.02.2021	3
15.	Appeal No. 373/252/ND/2020 Income Tax Officer Ward 25(3) Vs Roc & M/s. (Trans Yamuna Communication Network Pvt. Ltd.) PAN: AACCS2402D	1. Sandeep Kumar Jain DIN: 00011667 2. Brijesh Goel DIN: 07197357	22.02.2021	4
16.	Appeal No. 178/252/ND/2020 Income Tax Officer Ward 2(3) Vs Roc & AMR Equipments Pvt. Ltd. (PAN: AAJCA1716F)	1. Mohammad Mazhar Hussain DIN:03396288 2. Rakesh Kumar DIN:03396302 3. Akhatar Ali DIN:03396320	24.02.2021	2
17.	Appeal No. 119/252/ND/2019 Income Tax Officer, Ward 7(3) Vs ROC (Divy Constructions Pvt. Ltd.) (PAN: AADCD2177P)	1. Lekhraj Sharma DIN: 02702372 2. Rajesh Kumar DIN: 03155055	25.02.2021	1
18.	Appeal No. 870/252/ND/2019 Deputy Commissioner Income Tax Circle 20(2) Vs. ROC & M/s Radiant Aviation Services Pvt. Ltd. PAN NO.: AADCR0278D	1. Naveen Choudhary DIN : 01251569 2. Usha Choudhary DIN: 01403724	01.03.2021	4
19.	Appeal No. 869/252/ND/2019 Deputy Commissioner Income Tax Circle 20(2) Vs. ROC & M/s RRS Constructions Pvt. Ltd. PAN NO. : AAFCR8369H	1. Raj Kumar Sharma DIN: 05264242 2. Rajat Sharma DIN: 05264245	01.03.2021	4
20.	Appeal No. 64/252/ND/2020 Income Tax Officer Ward 2(1) Vs ROC & M/s. Aiden Fashion Design Institute Pvt. Ltd. PAN: AAHCA6897K	1. Sanjay Kumar Singh DIN: 02677168 2. Devinder Kumar DIN: 07777516	03.03.2021	3
21.	Appeal No. 883/252/ND/2019 Income Tax Officer Ward, 24(1) Vs Roc & M/s. SNC Travels Pvt Ltd. PAN: AACCC6490R	1. Rajinder Soni DIN: 02061005 2. Taran Kaur DIN: 02069777 3. Ashok Kumar Chanana DIN: 03374729 4. Anshu soni DIN: 03453546	04.03.2021	3
22.	Appeal No. 1025/252/ND/2019 Income Tax Officer Ward 20(3) Vs ROC & M/s. RDC Contracts Pvt. Ltd. PAN: AAFCR2670D	1. Ajay David Charles DIN: 03500874 2. Shalini David DIN: 06382219	05.03.2021	6
23.	Appeal No. 1006/252/ND/2019 Income Tax Officer, Ward 15(1) Vs ROC (Lancer Construction Pvt. Ltd.) (PAN: AABCL2360C)	1. Subhash Kumar Tiwari DIN: 00855733 2. Uma Shankar DIN: 01313568	05.03.2021	4
24.	Appeal No. 832/252/ND/2019 Asst. Commissioner of Income Tax, Circle 3(2) Vs. ROC (Aser Electronic Pvt. Ltd.) PAN: AAJCA3072A	1. Manmeet Singh DIN: 05210029 2. Madhu Sial DIN: 07405802 3. Sashi Kant Sial DIN: 07405815	05.03.2021	6
25.	Appeal No. 364/252/ND/2020 Income Tax Officer Ward 25(3) Vs ROC & M/s. (Towering Homes Pvt. Ltd.) (PAN: AADCT6030D)	1. Rajinder Gauba DIN: 02793828 2. Hamoor Gauba DIN: 03374251	12.03.2021	4
26.	Appeal No. 363/252/ND/2020 Income Tax Officer Ward 25(3) Vs ROC & M/s. (Towering Homes Pvt. Ltd.) PAN: AADCT8683Q	1. Vipin Kumar DIN: 01739899 2. Jagbir Singh DIN: 06801639	24.03.2021	3
27.	Appeal No. 903/252/ND/2018 Income Tax Officer, Ward 22(4) Vs ROC (Synergy Advertising Pvt. Ltd.) (PAN: AANCS1791E)	1. Anish Goyal DIN: 01679793 2. Anand Jindal DIN: 06610002	24.03.2021	3
28.	Appeal No. 21/252/ND/2020 Income Tax Officer, Ward 20(1) Vs ROC & M/s. Pink Projects Pvt. Ltd. PAN NO.: AADCQ2146G	1. Paramjit Singh Chopra DIN: 00901106 2. Madhur Bain Chopra DIN: 01185186	26.03.2021	3
29.	Appeal No. 47/252/ND/2020 Income Tax Officer Ward 20(3) Vs ROC & M/s. R.D.A. Overseas Ventures Pvt. Ltd. PAN NO.: AACCR6890C	1. Arun Sharma DIN: 00539110 2. Kavita Sharma DIN: 02368028	26.03.2021	3
30.	Appeal No. 86/252/ND/2020 Income Tax Officer Ward 24(2) Vs ROC & M/s. Stronglife Marketing Pvt. Ltd. PAN NO.: AANCS5165N	1. Jay Shankar Mishra DIN: 02488249 2. Reena Shekhawat DIn: 02983678	26.03.2021	3
31.	Appeal No. 13/252/ND/2020 Income Tax Officer, Ward 2(4) Vs ROC (M/s. Annex Facility Management Pvt. Ltd.) PAN: AFCA5406L	1. Sanjay Kumar Yadav DIN: 01050751 2. Yash Pal Bahl DIN: 03177303	26.03.2021	3
32.	Appeal No. 20/252/ND/2020 Income Tax Officer Ward 2(4) Vs ROC (M/s. Ansh Foods Pvt. Ltd.) PAN: AAHCA3274C	1. Tishender Kumar DIN: 02302785 2. Monika Tyagi DIN: 02302796	26.03.2021	3
33.	Appeal No. 09/252/ND/2020 Income Tax Officer Ward 2(4) Vs ROC (M/s. Angesh Trading Company Pvt. Ltd.) PAN: AAECA3596J	1. Prashant Kumar Singh DIN: 01978049 2. Abhishek Singh DIN: 01979901	26.03.2021	3
34.	Appeal No. 422/252/ND/2020 Income Tax Officer, Ward 25(3) Vs ROC (Touchstone Stock Management Pvt. Ltd.) (PAN: AABCT1166A)	1. Shailender Mongia DIN: 00437194 2. Yash Pal Mongia DIN: 00437309	31.03.2021	3

In this connection, through this Notice, the Principal Officers/ Directors of the aforesaid companies are hereby informed and requested to attend their respective cases before Hon'ble National Company Law Tribunal on the dates fixed for hearing as mentioned above. Take notice that in case of your failure to appear on the above mentioned respective days, the case will be heard and decided in your absence.

Sd/-
(Amar Jeevan)
Income Tax Officer
(Judicial)-3, New Delhi

davp 15403/11/0006/2021

Union Bank of India

Branch: 5E/7, B.P. Railway Road, NIT Faridabad - 121001

SALE NOTICE FOR SALE OF IMMOVABLE PROPERTIES

E-Auction Sale Notice for Sale of Immovable Assets under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 read with proviso to Rule 8 (6) of the Security Interest (Enforcement) Rule, 2002

Notice is hereby given to the public in general and in particular to the Borrower(s) and Guarantor (s) that the below described immovable property mortgaged / charged to the Secured Creditor, the constructive possession of which has been taken by the Authorized Officer of Union Bank of India (secured creditor), will be sold on **"As is where is", "As is what is"** and **"Whatever there is"** on the date mentioned below, for recovery of dues as mentioned hereunder to **Union Bank of India** from the below mentioned Borrower(s) & Guarantor(s). The Reserve Price and the Earnest Money Deposit are also mentioned hereunder:

Name of the Borrowers / Guarantors	Description of the Property & Amount due	Reserve Price & EMD	Date & Time of E-Auction
Borrower(s): 1. M/s Neharika Print Export Pvt. Ltd. 2. Mrs. Alka Sharma W/o Mr. Naval Kishore Sharma **3. Mr. Naval Kishore Sharma** S/o Mr. Ramanand Sharma **4. Ms. Neha Sharma** D/o Mr. Naval Kishore SharmaH No. 2399/7 Air Force Road,	All that piece and parcel of House No. 2399/7 (Part of Old Plot No. 32) measuring 200 sq yards, Rect. No. 43, Killa No. 9,10,11 (Khasra No. 43/9/10/11) situated Near Phool Chand Kiryana Store, Jawahar Colony, NIT Faridabad, Bounded by : North : House of Girraj, South : Road, East : House of Anand, West: Road. **Rs 28,34,151/- with further interest, cost & expenses.**	**Rs 60.00 Lakhs** (Sixty Lakhs Only) **Rs 6.00 Lakhs** (Six Lakhs Only)	**18.02.2021** from **12:00** to **3:00 pm** (with 10 min unlimited auto extensions)

Jawahar Colony, NIT Faridabad **Gurrantor(s): 1.Mr. Kailash Sharma** S/o Mr. Ramanand Sharma, **2. Mr. Shyam Sunder Sharma** S/o Mr. Ramanand Sharma H No. 2399/7 Air Force Road, Jawahar Colony, NIT Faridabad

For detailed terms and conditions of the sale, please refer to the link provided in **https://www.ibapi.in** and **https://www.unionbankofindia.co.in//english/TendelViewAllAuction.aspx**
For Registration and Login and Bidding Rules, Visit **https://www.mstcecommerce.com/auctionhome/ibapi/index.jsp**

Date: 01.02.2021 **PLACE:** Faridabad **Authorised Officer: Union Bank Of India**

Mewat Zinc Limited

CIN : L27204DL1991PLC046120
REGISTERED OFFICE : 1/24, Bansi House, Asaf Ali Road, New Delhi 110002
Phone No. : 011-23234316, E-Mail : mewatzinc@gmail.com, Website: www.mewatzinc.com

EXTRACTS OF THE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED ON 31ST DECEMBER, 2020

(Rs in Lacs)

Sl. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31-12-2020 (Unaudited)	30-09-2020 (Unaudited)	31-12-2019 (Unaudited)	31-12-2020 (Unaudited)	31-12-2019 (Unaudited)	31-03-2020 (Audited)
1	Total income from Operations	37.62	25.82	11.5	63.44	91.99	112.04
2	Net Profit / (Loss) for the period (before Tax, Exceptional and/or Extraodinary items)	7.90	4.41	0.41	7.72	3.21	5.13
3	Net Profit/(Loss) for the period before tax (after Exceptional and/or Extraordinary items)	7.90	4.41	0.41	7.72	3.21	5.13
4	Net Profit / (Loss) for the period after tax (after Exceptional and/or Extraordinary items)	5.85	3.26	0.31	5.72	2.48	3.80
5	Total Comprehensive income for the period [Comprising Profit / (Loss) for the period (after tax) and other Comprehensive Income (after Tax)]	5.85	3.26	0.31	5.72	2.48	3.80
6	Equity Share Capital	400	400	400	400	400	400
7	Reserves (excluding Revaluation Reserve) as shown in the Audited Balance Sheet of previous year)	-38.16					-41.98
8	Earnings Per Share (of Rs.10/- each) (for continuing and discontinued operations)- Basic :	0.15	0.08	0.01	0.14	0.06	0.10
	Diluted:	0.15	0.08	0.01	0.14	0.06	0.10

Notes:
1. The above is an extract of the detailed format of Quarterly and Nine Months Results submitted with the Stock Exchange under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the Quarterly and Nine Months Results is also available on the website of Stock Exchange and on Company website at www.mewatzinc.com.
2. The above results were reviewed by the Audit committee, and thereafter approved by the Board of Directos in their meetings held on 30th January, 2021.
3. The Statutory Auditor of the Company have carried out Limited Review of Financial Results for the quarter and nine months ended 31st December, 2020 pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
4. Previous year/Quarter figures have been regrouped / reclassified, wherever necessary.

For Mewat Zinc Limited
Sd/-
J P Gupta
Managing Director
DIN:00253529

Date : January 30, 2021
Place : New Delhi

NEW DELHI, MONDAY, FEBRUARY 1, 2021

FOLLOW US ON TWITTER & FACEBOOK. APP AVAILABLE ON APP STORE & PLAYSTORE WWW.FINANCIALEXPRESS.COM

FINANCIAL EXPRESS

VOL. XLVI NO. 288, 22 PAGES, ₹6.00 (PATNA ₹6.00, RAIPUR ₹7.00) PUBLISHED FROM: AHMEDABAD, BENGALURU, CHANDIGARH, CHENNAI, HYDERABAD, KOCHI, KOLKATA, LUCKNOW, MUMBAI, NEW DELHI, PUNE

READ TO LEAD

● NEW FEAT

January GST collection highest at ₹1.2 lakh cr

FE BUREAU
New Delhi, January 31

THE GST REVENUE collected in January (for transactions in December) came in at ₹1.2 lakh crore, the highest ever monthly collection, beating last month's mop-up, the government said on Sunday.

"In line with the trend of recovery in the GST revenues over past five months, the revenues for the month of January 2021 are 8% higher than the GST revenues in the same month last year, which in itself was more than ₹1.1 lakh crore," the government said.

It added that the during the month, revenues from import of goods was 16% higher and the revenues from domestic transaction (including import of services) are 6% higher than the revenues from these sources during the same month last year.

The GST revenue collection has crossed ₹1 lakh crore- mark in four consecutive months. The government said that closer monitoring against fake-billing, deep data analytics using data from multiple sources, Income-tax and Customs systems and effective tax administration have also contributed to the steady increase in tax revenue over last few months.

Continued on Page 2

K-CURVE CONCERNS

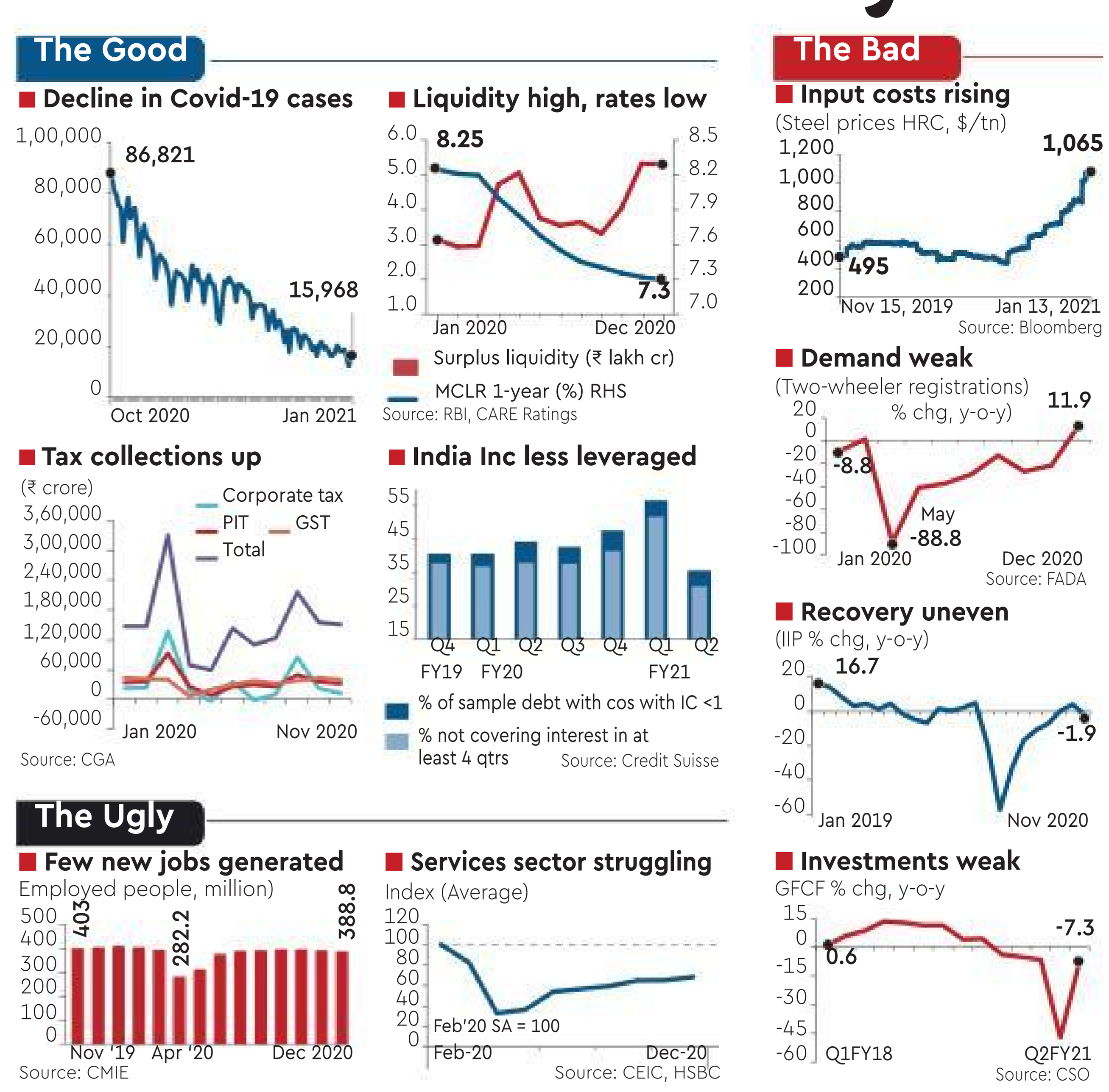
Big jump in spending must for a sustained recovery

It is not just MSMEs, even the core sector is doing badly and sluggish 2-wheeler sales make it clear the uptick is patchy

FE BUREAU
New Delhi, January 31

THERE IS GOOD reason to cheer the quicker-than-anticipated recovery but the optimism needs to be tempered. Recent signals from the economy are mixed: the core sector contracted for the third straight month in December while demand for diesel has been slowing. The sluggishness in sales of goods such as two-wheelers is disquieting.

The concern is that rural demand which has been robust may taper off in 2021, though it may hold up better than urban demand. The *kharif* farm income for FY21 is estimated to have grown by just 7.4% compared with 10.6% in FY20. The summer *rabi* farm income, however, is expected to grow by 10.4% in 2021 from an estimated 8.7% last year. It is critical the key services sector, which is lagging, sees a pick once the roll-out of the vaccine progresses and more transport options are available. The retail and recreation segments are seeing a drop in momentum post the wedding and festive seasons. There are few signs companies are making big-ticket investments; capacity utilisation is going up but slowly. In the absence of investments joblessness could persist. The government needs to step up investments, ensure better credit flow to more sectors and businesses and liberalise FDI norms to attract more foreign capital.



Q3 EARNINGS

Good show from India Inc

The worst may be over but the road ahead might not be an easy one

FE BUREAU
New Delhi, January 31

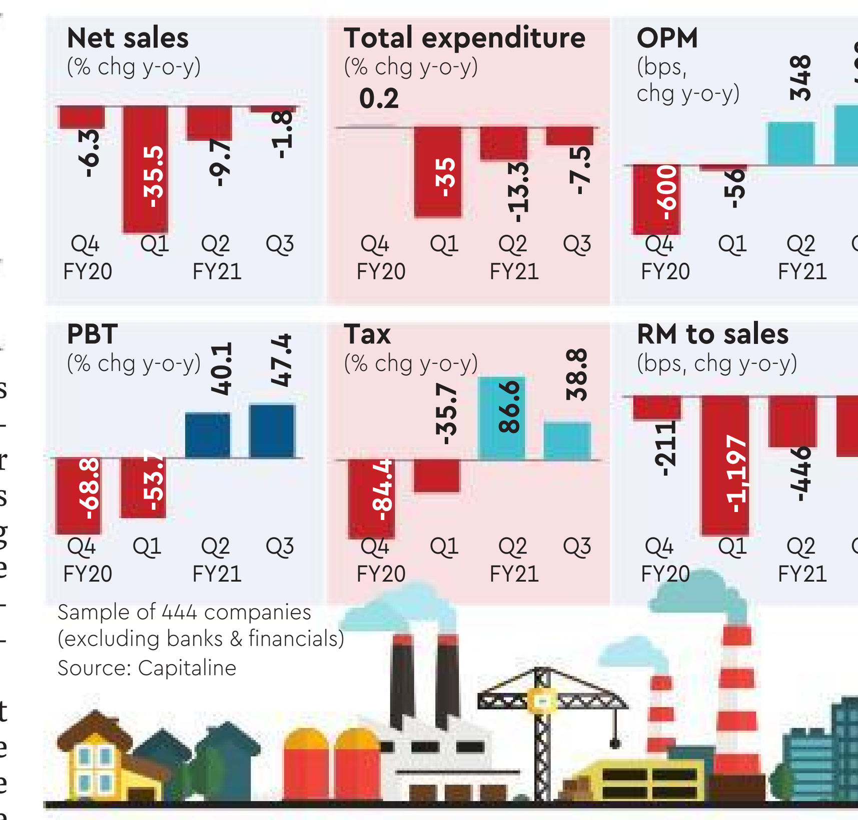
IT'S BEEN A very good earnings season so far with mostly surprises. Virutally every IT player has turned in stellar numbers and most companies catering for the home market too have reported a smart rebound in revenues driven both by better volumes and higher prices.

The strong order inflows at Larsen &Toubro (L&T) are encouraging though it would be too soon to call a turn in the capex cycle. Rising raw material costs benefitted producers; Vedanta reported the best profits in 11 quarters on better volumes and higher prices while the pick-up in local demand and sharp rise in prices helped JSW Steel post record steel margins.

With supply chains restored, consumption demand was reasonably strong through the festive and wedding seasons. Revenues at TVS Motors, for instance were up a smart 31% y-o-y, led by a 20% y-o-y increase in volumes and an 8.5% y-o-y increase in ASPs.

Again, volumes at Asian Paints jumped an astonishing 33% y-o-y, pushing up revenues by nearly 27% y-o-y on the back of both pent-up and festive demand. Sun Pharma's sales rose 9.2% y-o-y, led by US market, which went up by 11% y-o-y.

Continued on Page 2



First forecast: Skymet sees 'normal' monsoon in 2021

PRIVATE WEATHER forecaster Skymet on Sunday predicted a 'normal' southwest monsoon in 2021, quantitatively between 100-104% of the benchmark long period average (LPA), potentially increasing the prospect of bumper foodgrains output for the sixth consecutive crop year (July-June) in 2021-22. However, unless the demand side issues are not addressed, prices of most of the crops might continue to be depressed, adversely affecting farmers' income.

Rainfall between 96-104% of LPA of 88 cm is considered 'normal' and between 90-96% is 'below normal'. Between 104-110% is termed 'above normal' and rainfall above 110% of LPA is 'excess'.

■ Page 3

GOING GLOBAL

G-Sec norms for bond indices likely

FE BUREAU
New Delhi, January 31

THE BUDGET FOR 2021-22 is likely to clearly spell out the government's intent on listing certain categories of government securities on global bond indices. The plan is aimed at not just financing a portion of its elevated fiscal deficit in the aftermath of the Covid-19 outbreak, but deepening the country's bond market.

"The listing plan has been discussed in detail with the RBI and other stakeholders and its potential impact on the financial sector has also been debated well. Broader details could be announced in the Budget," said a source.

The government will issue rupee-denominated bonds in global markets to mitigate exchange rate risk.

Earlier this fiscal, chief economic advisor Krishnamurthy V Subramanian had told *FE* that theoretically, borrowing of around $60 billion was possible through listing government bonds on the global indices. About $4 trillion of money tracks overseas bond indices. India is expected to get a weight of around 1.5-3%. Even if it gets 1.5%, that would translate into $60 billion, he had pointed out. Of course, this is the potential for which the country has to prepare itself with accompanying regulatory set-up.

A senior government official said the flow of funds through such a route will also offer the Centre an opportunity to structure its market borrowing plan in such a manner that the borrowing cost, too, remains reasonable.

Continued on Page 2

NEW FRONTIER

- CEA had said theoretically, **about $60 bn** could be raised by listing G-Secs on global indices
- **About $4-trillion** money tracks overseas bond indices; if India gets a weight of even 1.5%, it works out to $60 billion
- Move will not just help fund a part of fiscal deficit but deepen the bond market

JOBS

Demand for top-level talent shows uptick

SHUBHRA TANDON
Mumbai, January 31

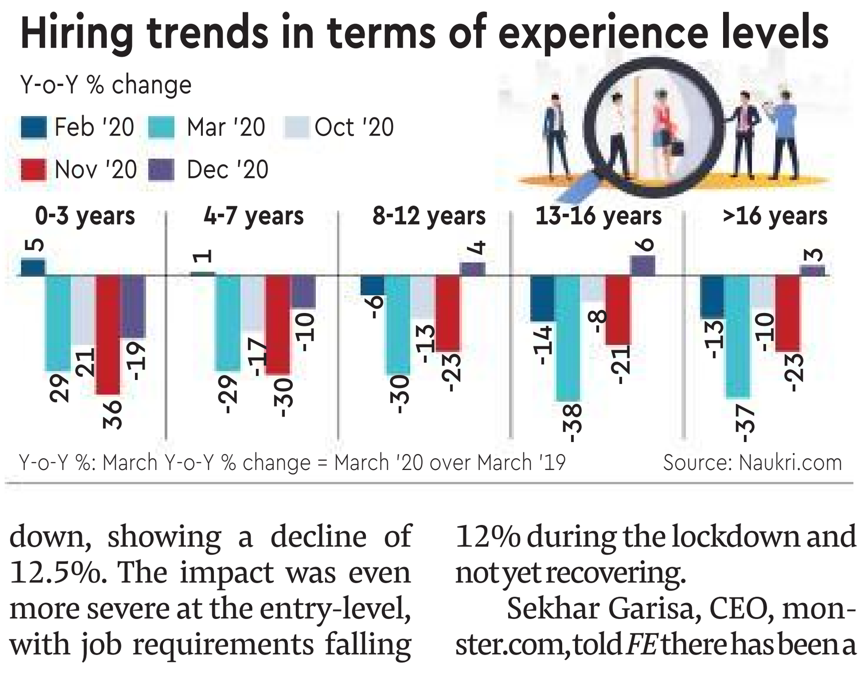
ALL THROUGH THE lockdowns, and even post the easing up, businesses have been looking for strong leadership. The demand for top-level talent has remained more or less intact for a year now and, with the economy opening up, looks headed for a pick-up.

Data sourced from jobs portal monster.com shows the demand for senior level professionals barely dipped 5%. It was the demand for mid-level employees that was affected during the lockdown, showing a decline of 12.5%. The impact was even more severe at the entry-level, with job requirements falling 12% during the lockdown and not yet recovering.

Sekhar Garisa, CEO, monster.com, told *FE* there has been a strong bounce back in job offers over the last quarter. The recovery has been good for senior-level profiles with a 4% increase seen over pre-Covid levels and equally good for mid-level roles where hiring is currently 3% higher.

While the numbers for entry-level positions improved in the October-December quarter, they are still down 3% and Garisa believes the segment will continue to see challenges as more companies want to hire ready-to-deliver talent and not invest in training.

Continued on Page 2



Economy

MONDAY, FEBRUARY 1, 2021

REPO RATE PAUSE

Aditi Nayar, principal economist, Icra

"We expect an extended pause for the repo rate, with the stance to be changed to neutral in the August 2021 policy review or later, once there is clarity on the durability of the economic recovery."

ON TRACK

Rlys capex at 64% of annual target at Jan-end

The national transporter received an outlay of ₹1.61 lakh crore for capex in Budget 2020-21

FE BUREAU
New Delhi, January 31

CAPITAL EXPENDITURE BY the Indian Railways, which was languishing at very low levels in April-July 2020, has picked up pace since. Around ₹1,03,245 crore or 64% of the FY21 target has been spend till January-end, according to official data. The national transporter received an outlay of ₹1.61 lakh crore for capex in Budget 2020-21. In April-January last year, IR's capex was to the tune of ₹1,08,933 crore.

Railways has lined up an ambitious plan for implementation of mega infrastructure projects and safety-related works which will need to be bankrolled by an increased capital expenditure. Experts are, therefore, looking at an increased allocation as compared to last year in the Union Budget 2021-22 to execute the infrastructure projects and works.

According to Jagannrayan Padmanabhan, director, transport, logistics at Crisil Infrastructure Advisory, the capex may rise as much as 8-10 % over last time. "The capex spend will go into dedicated freight corridors, doubling of track and improvement in safety," says Padmanbhan.

The Railways' expectation of capex in 2021-22 is in the range of ₹1.70-1.81 lakh crore, much of which will go into execution of projects outlined in the National Railway Plan till 2024. These include new train sets for faster connectivity on new routes, expansion of railway infrastructure for better connectivity in north-eastern states, electrification of the entire broad-gauge network to be completed by 2023-24, induction of latest technology for signalling & telecommunication system and green energy initiatives.

The Railways also expects work to start on projects worth ₹1.5 lakh crore, which have been stuck due to the instructions issued by the Railway Board to zonal officers in July 2020 to rationalise expenditure. The instructions followed a finance ministry directive to put on hold infrastructure projects sanctioned in the current financial year as well as some projects approved in FY20, where work had remained stagnant.

According to a Railway source, since "the letter issued by the finance ministry was valid till this financial year, stalled projects can now go ahead in the next fiscal which would mean requirement of more funds by the Railways".

Country saddened by insult to Tricolour on Republic Day: Modi

PRESS TRUST OF INDIA
New Delhi, January 31

PRIME MINISTER NARENDRA Modi said on Sunday that the country was saddened by the 'insult' to the Tricolour on Republic Day, referring to the religious flag incident at Red Fort during the farmers' tractor parade.

In his monthly *Mann ki Baat* broadcast, Modi maintained that his government is committed to 'modernising' farming and has been taking many steps.

"The efforts of the government will also continue in future," he said, amid intense protests by a section of farmers from states like Punjab, Haryana and UP near the Delhi border against three farm reform legislations enacted by his government. Farmer unions have demanded that these laws by repealed.

While recounting a number of developments in January this year, including India's remarkable come-from-behind series win over Australia in the recent Test series, Modi made a brief reference to the farmers' tractor rally on Republic Day which witnessed incidents of violence.

"Amidst all this, the country was saddened by the insult to the Tricolour on January 26 in Delhi. We have to infuse times to come with new hope and novelty. Last year, we displayed exemplary patience and courage. This year too, we have to work hard to attain our resolves. We have to take our country forward at a faster pace," he said.

Referring to India's corona vaccination exercise underway, the Prime Minister said the country has not only rolled out the world's largest vaccination drive but is also vaccinating its citizens at the fastest rate.

Shriram Transport Finance may look at raising $250m through social bonds in Q4

PRESS TRUST OF INDIA
Mumbai, January 31

AFTER RAISING $500 million through social bond issue earlier this month, non-banking financial company Shriram Transport Finance Company may look at raising another $250 million from such bonds before March, a top company official said.

As part of its $3 billion global medium term note programme, the deposit taking NBFC had raised $500 million at a coupon rate of 4.4%. As per the Reserve Bank of India (RBI) guidelines, eligible borrowers can raise external commercial borrowing (ECB) up to $750 million per financial year under the automatic route.

"It depends on international markets (conditions). We need to look for a very good window (to raise $250 million from social bonds). If there is a window available, we may raise it before March (2021)," the company's managing director and CEO Umesh Revankar said.

In the quarter ended December 31, the company's deposits grew by around 19% (y-o-y) to ₹14,335.36 crore from ₹12,027.72 crore last year. On a sequential basis, the increase was close to 11%. Revankar said the company was earlier using corporate channels to mobilise deposits but has now started accepting deposits across all its branches, and that has resulted in good inflows.

"We feel a similar momentum to continue because right now deposit rates of banks are lower and so depositors are looking for better avenues. Also, inflows into mutual funds have reduced and it is getting shifted to banks, and a good part of it to non-banks. There is a big shift in our resource raising," he said.

Rural demand seen ebbing in 2021-22, but urban consumption to rise: BofA

PRESS TRUST OF INDIA
Mumbai, January 31

Urban demand has on the wane since 2018 after the twin shocks of note ban and the hurriedly rolled out GST

RURAL DEMAND, WHICH has drived consumption growth and helped the economy remain afloat since 2018-19, may drop due to the falling prices of farm produce but urban demand is likely to pick up in the new financial year, according to a report.

Though rural demand outperformed in 2020, with the pandemic shock hurting urban India more, we see urban demand driving recovery in 2021, according to the report by Bank of America Securities.

Urban demand has on the wane since 2018 after the twin shocks of note ban and the hurriedly rolled out GST. Adding to the double whammy was the crisis in the non-banking financial sector, which has been one of the major drivers of consumption credit with the bankruptcy of IL&FS in September 2019 and the resultant risk aversion bank had developed.

The brokerage expects the autumn kharif farm income growth to slow to 7.4% from 10.6% last year, as lower pricing power offsets a larger crop. On the other hand, the summer rabi farm income growth should pick up to 10.4% in 2021, from 8.7% in 2020, with a turnaround in sugarcane returns.

"We continue to believe that rural demand should remain relatively weak into the summer of 2021. It is obviously better than urban demand, which has shrunk due to the pandemic in 2020-21. In 2021-22, recovery should be led by a rebound in urban demand," said the report.

Accordingly, the foreign brokerage has further downgraded its forecast of 2020-21 growth in autumn kharif income to 7.4% from 9.4% earlier, and down from 10.6% in 2019-20. It has upgrade the summer rabi income growth to 10.4% in 2021, from an estimated 8.7% last year. This assumes a further 5% increase in sugarcane prices.

Weak rural demand is in line with the brokerage's survey that shows the pandemic is now fast progressing from a supply shock to a demand shock, given the massive jobs and income losses.

Several reports said that as many as 20 million youth lost their livelihood to the coronavirus pandemic as an unplanned lockdown crippled economic activity for months.

The report said the boost to rural demand by a bumper autumn kharif harvest is largely offset by weakening pricing power. Accordingly, the report, estimates farm income growth will slow to 7.4% during the kharif harvest from 10.6% last year, while summer rabi income will grow by 10.4% in 2021, from 8.7% last year.

The two main harvests constitute about 3.5% each to GDP. The report concluded with a normal monsoon forecast as the ongoing La Nina augurs well for the monsoons.

According to the Australian weather bureau, La Nina has peaked with respect to sea surface temperature patterns in the eastern and central Pacific Ocean, and the southern oscillation index continues to remain high with a well above the La Ni a threshold of +7.

MF investment in REITs up six fold to ₹3,972 crore

PRESS TRUST OF INDIA
New Delhi, January 31

EMERGING INVESTMENT INSTRUMENT REIT seems to be finally gaining popularity among investors, with mutual funds investing a staggering ₹3,972 crore in such units in 2020, a six-fold jump from the preceding year.

Green Portfolio co-founder Divam Sharma said that with names like DLF, Brookfield and Godrej in the process of launching REIT, more interest from mutual funds in such offerings is expected in the coming years.

He further said 2021 looks better from the standpoint of mutual funds investing in REITs, as business is seeing normalcy after a setback from Covid-19 in 2020.

REITs and InvITs are relatively new investment instruments in the Indian context but are popular in global markets. While REIT comprises a portfolio of commercial real assets, a major portion of which are already leased out, InvITs comprise a portfolio of infrastructure assets such as highways and power transmission assets.

Fund managers infused ₹3,972 crore in real estate investment trusts (REITs) in 2020 as compared with ₹670 crore in 2019, data with Sebi showed. Sharma said the interest from mutual funds in REITs come from factors including availability of enough liquidity flows to MFs, low interest rates regime, positive outlook of rental yields, and efficient listing framework by the regulator for their launches.

From the Front Page

Good show from India Inc

At Ultratech, volumes were up 14% y-o-y on the back of demand from rural and urban housing and government-led infrastructure. Despite an adverse base, Dabur notched up a volume growth of 18.1% y-o-y, driving up sales by 16% y-o-y. Pidilite reported a 19.3% rise in consolidated sales.

For a sample of 444 companies (excluding banks and financials), revenues for Q3FY21 were down about 2% y-o-y but that's because Reliance Industries reported a 22% y-o-y fall in sales. The combination of better revenues and contained costs resulted in a huge 500 bps expansion in operating profit margins (opm). At Tata Motors, the Indian business posted an expansion of 570 basis points in the opm. At Sun Pharma, Ebitda margins expanded 550 bps y-o-y, partly on the back of a sharp 520 bps y-o-y drop in other expenditure. At Pidilite, gross margins expanded 100 bps y-o-y while Ebitda margins expanded 380 bps y-o-y due to lower employee expenses and smaller other expenses.

The worst may be over but the road ahead might not be an easy one. Raw material costs are beginning to pinch. At Maruti Suzuki, for instance, the Ebitda margin of 9.5% was below analysts estimates. At Hindustan Unilever (organic) gross margins were down a steep 220 bps y-o-y and operating margins were also weak as the FMCG major upped adspends.

With the restrictions being eased and business activity picking up, demand should sustain but price hikes taken by many companies, to pass on input and other costs, could limit demand. Also, rural demand which has been strong thus far supporting consumption could taper off as farm incomes moderate as is expected. Analysts are concerned that cost pressures could persist and that not too many companies may be able to pass on additional increases without hurting volumes. Also some of the cost cuts initiated at the start of the pandemic are being reversed.

Demand for top-level talent shows uptick

"The job churn also allowed companies to hire relatively experienced talent at affordable costs especially in non-IT roles, lowering the demand for entry level roles," he explained.

Nicolas Dumoulin, MD, Michael Page India, pointed out hiring activity had dropped by about 40% during the pandemic with entry and mid-level roles badly affected. "Many companies have downsized and put employment on hold. The senior-level hiring segment has stayed active compared to mid and junior level hiring," Dumolin said.

Manpower Group has found that hiring recovered by 15% in December 2020 compared to November and senior director Alok Kumar expects 10% growth in January. "We are expecting hiring in January-March to be more than 18-20% as compared to October-December," Kumar said. Garisa believes mid-level hiring will remain robust and grow the fastest as companies prepare themselves for a faster growth in the next two quarters.

Abhimanyu Saxena, co-founder, Scaler and InterviewBit points out that with organisations rapidly digitising their operations to be able to scale up, the demand for IT professionals has gone up. "Demand from MNCs and large companies is expected to be robust against the backdrop of new client wins and business deals in the last few months. VC-funded start-ups, especially in the ed-tech, gig-economy companies and logistics sectors, are also on a hiring spree for various roles across levels," Saxena said.

January GST collection highest at ₹1.2 lakh cr

Further, the average year-on-year growth in GST revenue over the first four months in the second half of the financial year has been 8% as compared to a contraction 24% during the first half of the year.

G-Sec norms for bond indices likely

As a first step towards finding a place in global indices, the Budget for 2020-21 had proposed to remove limit on foreign investment in some government securities. Subsequently, in March last year, the Reserve Bank of India announced the opening up of key government securities to full foreign investment without any ceilings.

The Centre had budgeted to borrow ₹7.80 lakh crore in 2020-21 but was forced to raise it by as much as 54% in May last year to ₹12 lakh crore, as the Covid-19 outbreak and a consequent pan-India lockdown badly hit its revenue collections, even though the government had to roll out relief package to soften the blow of the pandemic.

Several analysts have projected fiscal deficit to drop from about 7% (double the budgetary goal) in 2020-21 to 5-5.5% in the next fiscal, as nominal GDP rebounds. The latest Economic Survey has forecast a 15.4% growth in nominal GDP for 2021-22, against a 4.2% contraction this year.

Still, the fiscal deficit, as percentage of GDP, will be the highest since the 2011-12 level of 5.9%. The listing of G-Secs, therefore, remains critical to developing a stable source of funding for the government. Also, it remains key to developing a solid corporate bond market in the country.

Farmer leaders say 'respectful solution' should be found, but won't succumb to pressure

PRESS TRUST OF INDIA
New Delhi/Ghaziabad, January 31

Farmers hold the national flag during the protest against the farm laws at Ghazipur in New Delhi on Sunday PTI

A DAY AFTER Prime Minister Narendra Modi said his government was just a 'phone call away' for talks with the farmers agitating against the farm laws, union leaders on Sunday said a 'respectful solution' should be found but they will not agree to anything 'under pressure'.

Farmer leaders Rakesh and Naresh Tikait demanded that the government release the protesters to create a conducive environment for talks, even as Prime Minister Modi, during his monthly radio address, said that the country was saddened by the 'insult' to the Tricolour on the Republic Day, referring to the violence at Red Fort during the farmers' tractor parade.

As hundreds of farmers continued to converge at Ghazipur on the Delhi-Uttar Pradesh border following a tearful Bharatiya Kisan Union leader Rakesh Tikait's impassioned appeal on Thursday, the ripples spread deeper in western Uttar Pradesh where a mahapanchayat was held in Baghpat in support of the stir, the third in as many days in the key region.

Shiromani Akali Dal chief Sukhbir Singh Badal met Rakesh Tikait, joining several other leaders from the opposition parties who have visited the protest site to extend their support.

The farmers will honour the dignity of the prime minister, but are also committed to protecting their self-respect, the Tikait brothers who are leading the agitation asserted, even as they warned that the farm laws issue could cost the BJP dear electorally.

"They (Farmers) are free to vote anyone, we cannot ask them to vote for a particular party...if a party has hurt them, why would they bring it to power again," Naresh Tikait said. Both the leader said they were open to talks with the government to find a 'middle path'.

Rakesh said they will honour and respect the dignity of Prime Minister, and added the farmers don't want the government or Parliament to 'bow down to them'. But at the same time, he added, they will also ensure the self-respect of farmers is protected.

During their January 26 parade, scores of protesters had stormed the Red Fort, with some of them hoisting religious flags on its ramparts.

The two leaders condemned Republic Day violence and said it was unacceptable, even though they alleged it was the result of a conspiracy.

They said the Tricolour was above everything and they will never let anyone disrespect it.

The Delhi Police has registered nearly 40 cases and made over 80 arrests in connection with the violence and vandalism. "The government should release our men and prepare an environment conducive for talks. A respectful solution should be reached. We will never agree to anything under pressure," Rakesh Tikait asserted.

SJVN bags hydro electric project in Nepal

FE BUREAU
New Delhi, January 31

THE GOVERNMENT OF Nepal has allotted 679 MW Lower Arun Hydro Electric Project to SJVN through competitive bidding, Nand Lal Sharma, chairman and managing director of SJVN, has said. The Investment board of Nepal, in its meeting on January 29, awarded the project to SJVN. The hydro electric project will generate 3,561 million units of electricity per annum on completion.

EASING PRESSURE OF BAD LOANS

CEA pitches for pvt sector-led bad bank to deal with NPAs

KUMAR DIPANKAR & CHANDRA SHEKHAR
New Delhi, January 31


Chief economic adviser KV Subramanian

CHIEF ECONOMIC ADVISER KV Subramanian has made a strong case for setting up of a bad bank led by private sector to effectively deal with non-performing assets of the financial sector which may see a surge once regulatory forbearance to deal with the impact of Covid-19 is withdrawn.

The proposal to set up a bad bank has been under consideration of the government for long and some steps may be announced in the Budget 2021-22 to be unveiled by finance minister Nirmala Sitharaman on Monday in the Lok Sabha.

Bad bank refers to a financial institution which takes over bad assets of lenders and undertakes resolution. Lenders have been making a case for setting up a bad bank to ease out pressure of bad loans on them in these difficult times.

"The bad bank will certainly help in consolidating some of the non performing assets. It's important to also think about implementing the bad bank in the private sector that enables the (faster) decision-making," he told *PTI* in an interview.

Resolution of bad assets with alacrity in decision making often in the public sector is impacted because of the fear of 3Cs, he said. 3Cs refer to Central Bureau of Investigation (CBI), Central Vigilance Commission (CVC) and Comptroller and Audit General (CAG).

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

"So, the bad bank idea itself is actually something which is required at this point in time, but also designing it in the private sector actually has a lot more possibility for it to be effective," he said.

The Economic Survey 2017 had proposed this idea, suggesting the creation of a bad bank called Public Sector Asset Rehabilitation Agency (PARA) to help tide over the problem of stressed assets.

Earlier this month, RBI Governor Shaktikanta Das indicated that the central bank can consider the idea of a bad bank to tackle non-performing assets (NPAs).

"If there's a proposal to set up a bad bank, the RBI will look at it. We have regulatory guidelines for asset reconstruction companies," Das had said.

Subramanian, the lead author of the Economic Survey 2020-21, has made a case for carrying out a fresh asset quality review (AQR) once the ongoing forbearances related to Covid-19 come to an end.

Any AQR exercise, the Survey said, must be accompanied by a round of bad bank clean-up.

Elaborating on the AQR exercise, he said that it amounts to recognising something that is cosmetically covered up. "But the important message that is being made is that AQR has to be done. When AQR is done, the estimation or unearthing of bad assets actually has to be done well," he said. —PTI

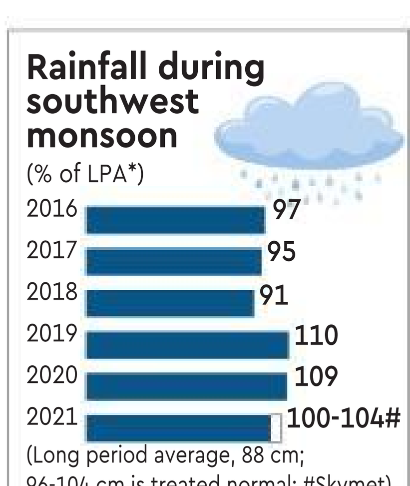
Skymet predicts 'normal' monsoon in 2021

FE BUREAU
New Delhi, January 31

PRIVATE WEATHER FORECASTER Skymet on Sunday predicted a 'normal' southwest monsoon in 2021, quantitatively between 100-104% of the benchmark long period average (LPA), potentially increasing the prospect of bumper foodgrains output for the sixth consecutive crop year (July-June) in 2021-22. However, unless the demand side issues are not addressed, prices of most of the crops might continue to be depressed, adversely affecting farmers' income.

India received 'above-normal' monsoon rains during last two years (**see chart**).

"This could be one of the 'normal' monsoon years making a sound start and ending within the upper half of normal range. Initial readings are indicative of some risk attached to few pockets," Skymet said in a statement on Sunday. There is sufficient cooling in the Pacific Ocean now and La Niña conditions are at the peak. The Sea Surface Temperatures (SSTs) are likely to rise soon and the probability of continued La Niña will fall. This will reduce to about 50% when the monsoon arrives in India, Skymet said.



Rainfall between 96-104% of LPA of 88 cm is considered 'normal' and between 90-96% is 'below normal'. Between 104-110% is termed 'above normal' and rainfall above 110% of LPA is 'excess'.

A prolonged and well distributed rainfall across the country, barring a few areas of northwest region, helped India to harvest record kharif foodgrains – rice, pulses and coarse cereals while registering an all time high sowing areas under rabi crops such as wheat, mustard and gram during 2020-21 crop year. While the kharif estimate of foodgrain output is seen at 144.52 million tonne, the government is yet to release the rabi production estimate. The total sowing areas under all rabi crops was at 68.5 million hectares until January 29, up 3% from the year-ago period.

There is sufficient cooling in the Pacific Ocean now and La Niña conditions are at the peak. The Sea Surface Temperatures are likely to rise soon and the probability of continued La Niña will fall. This will reduce to about 50% when the monsoon arrives in India, Skymet said

"Normal monsoon is a necessary condition for good kharif crop. Therefore, such forecasts are important. Besides, as agriculture has been the driving factor this year it is imperative that the trend continues next year or else the GDP forecasts of 11% will get revised," said Madan Sabnavis, chief economist, CARE Ratings. Though it is a good sign, it is too early to judge, he said adding, one has to wait till May to get a better view.

"El Niño–Southern Oscillation (ENSO) is wielding a spike which needs to be ascertained with the model forecast in February and March. This will get factored in our April forecast. Indian Ocean Dipole (IOD) events are typically unable to form till April, but the early indications suggest it to be neutral at the commencement of monsoon," said Jatin Singh, managing director of Skymet Weather Services.

Last year more than normal rains during monsoon was driven mainly by La Niña, which is peaking right now, Singh said. It will decline during the 'spring' and turn neutral later through the monsoon season, he said. This trend of Pacific Ocean temperatures may not lead to an above normal or excess rainfall, but chances of a disfigured monsoon are also ruled out, according to Singh.

The warming of sea surface temperature in the Pacific Ocean beyond a threshold is called El Niño, which is considered an important factor to disturb the south-west monsoon and reduce precipitation. The opposite of El Niño is La Nina – when temperature in the Pacific Ocean cools — during which monsoon rainfall improves. Similarly, IOD is associated with the sea surface temperature in the Indian Ocean.

Power demand touches all-time high of 189.64 GW on Saturday

PRESS TRUST OF INDIA
New Delhi, January 31

The rising power demand shows revival in economic activities, leading to higher commercial and industrial demand, which was affected due to the pandemic

POWER DEMAND TOUCHED an all-time high of 189.64 GW on Saturday, power secretary S N Sahai has said.

"Power demand galloping. All India demand: 1,89,644 MW (189.64 GW) at 10.39 hrs today (January 30) crossed the previous highest all India demand of 1,88,452 MW (188.45 GW) on 28th January," Sahai has tweeted.

Last week, power minister R K Singh had exuded confidence that power demand will cross 200 GW mark soon.

On Friday last, Singh had tweeted, "The power demand and supply surged to a new high of 1,88,452 MW at 9:42 am on 28th January 2021. The rate at which we are going, we shall cross 2,00,000 MW very soon."

In another tweet on the same day, he had said, "Southern region touched the highest ever peak demand of 53,214 MW on January 28, 2021, at 9:49 am".

On January 20, power demand had touched a record high of 187.3 GW.

All-India power demand had touched a record high of 182.89 GW on December 30 last year.

According to data from the power ministry, the peak power demand met (the highest supply in a day) during January last year stood at 170.97 GW. The rising power demand shows revival in economic activities leading to higher commercial and industrial demand, which was affected due to the pandemic.

The government had imposed a nationwide lockdown on March 25, 2020, to contain the spread of Covid-19.

Power demand started declining from April as economic activities were disrupted due to COVID-19. The pandemic affected power demand for five months in a row from April to August 2020.

The demand recovered from September onwards. Peak power demand met grew at 1.7% in September, 3.4% in October, 3.5% in November and 7.3% in December.

'Tejas Mark II likely to roll out next year; high-speed trials in 2023'

PRESS TRUST OF INDIA
New Delhi, January 31

A MORE POTENT version of the indigenous Tejas multi-role combat jet featuring a much powerful engine, greater load-carrying capability and next-generation electronic warfare system is expected to be rolled out next year and its first high-speed trials will start in 2023, according to chairman and managing director of Hindustan Aeronautics R Madhavan.

He said the structural package and related work on the Tejas Mark II, which will have an array of superior avionics, was progressing well, and the production of the high-performance jet is likely to start around 2025.

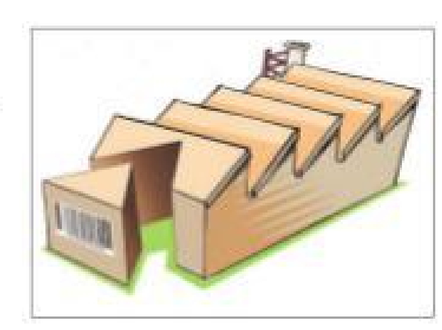
Madhavan said the upgraded version will have a bigger fuselage, longer range, better maintainability, greater load-carrying capability, much stronger engine power and superior network centric warfare systems.

With an increase in range and payload capability, Madhavan said the new variant will be much superior to the Tejas Mark-IA, 73 of which are being procured by the Indian Air Force from the HAL under a ₹48,000-crore deal that was approved by the government on January 13.

"Tejas Mark II is likely to roll out by August-September of 2022. After that, the first flight will take some time. The first high-speed trial of the jet will start in 2023 and we expect the production to start somewhere around 2025," Madhavan told *PTI*.

Govt mops up ₹19,499 cr from CPSE disinvestment, buyback so far in FY21

PRESS TRUST OF INDIA
New Delhi, January 31



THE GOVERNMENT HAS garnered ₹19,499 crore through CPSE disinvestment and share buyback so far in 2020-21, as against the ₹2.10-lakh-crore budget target set for the entire fiscal year ending March 31.

With Covid-19-related delays impacting big ticket strategic sales and listing of insurance behemoth LIC, the government is likely to miss the budgeted disinvestment target by a wide margin in this financial year.

Finance minister Nirmala Sitharaman had in her budget for 2020-21 set a target of raising ₹2.1 lakh crore from privatisation, sale of minority stakes in state-owned companies and share buyback by CPSEs.

While ₹1.20 lakh crore was to come from stake sale in CPSEs, ₹90,000 crore was to be mopped up from share sale in financial institutions.

As many as four CPSEs — Hindustan Aeronautics (HAL), Bharat Dynamics, IRCTC and SAIL — have come out with offer-for-sale (OFS) this fiscal year. This fetched ₹12,907 crore to the exchequer.

Besides, initial public offering (IPO) by IRFC and Mazagon Dock Shipbuilders together fetched ₹1,984 crore.

Moreover, selling of government stake in private companies held through SUUTI and other transactions garnered about ₹1,837 crore. So far in current fiscal year, four state-owned companies — RITES, NTPC, KIOCL, NMDC — have completed share buyback which got ₹2,769 crore to the exchequer.

A buyback, also known as a share repurchase, is when a company buys its own outstanding shares to reduce the number of shares available in the open market.

The government is also looking to sell its entire 26.12% stake in Tata Communications (TCL), erstwhile VSNL, through OFS and strategic sale route in the current fiscal. The process of privatisation of Air India, BPCL, Pawan Hans, BEML, Shipping Corp, Neelachal Ispat Nigam, and Ferro Scrap Nigam (FSNL) is underway.

Atul Limited

Corporate identification number (CIN): L99999GJ1975PLC002859
Registered office: Atul House, G I Patel Marg, Ahmedabad 380 014, Gujarat, India
Phone: (+91 79) 26461294 | 26463706 | E-mail: shareholders@atul.co.in | Website: www.atul.co.in
Contact person: Mr Lalit Patni, Company Secretary and Chief Compliance Officer

PUBLIC ANNOUNCEMENT

PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF EQUITY SHAREHOLDERS | BENEFICIAL OWNERS OF EQUITY SHARES OF ATUL LIMITED ("COMPANY") FOR BUY-BACK OF EQUITY SHARES FOR AN AMOUNT NOT EXCEEDING ₹ 50,00,00,000/- (RUPEES FIFTY CRORES ONLY) FROM THE OPEN MARKET THROUGH STOCK EXCHANGE MECHANISM AS PRESCRIBED UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (BUY- BACK OF SECURITIES) REGULATIONS, 2018.

This Public Announcement (the "**Public Announcement**") is being made in accordance with the provisions of Regulation 16(iv)(b) of the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, as amended ("**Buy-back Regulations**") and contains the disclosures as specified in Schedule IV read with Schedule I of the Buy-back Regulations.

OFFER FOR BUY-BACK OF FULLY PAID UP EQUITY SHARES OF FACE VALUE ₹ 10/- EACH FROM THE OPEN MARKET THROUGH STOCK EXCHANGE MECHANISM

01. DETAILS OF THE BUY-BACK OFFER AND OFFER PRICE

1.1. The Board of Directors of Atul Limited (hereinafter referred to as the "**Board**"), at its meeting held on January 29, 2021 ("**Board Meeting**") has, pursuant to the provisions of Article 61 of the Articles of Association of the Company and the provisions of Sections 68, 69, 70 and all other applicable provisions of the Companies Act, 2013 ("**Act**") and applicable rules made thereunder and in compliance with the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 ("**Buy-back Regulations**") and subject to such other approvals, permissions and sanctions as may be necessary, approved the Buy-back of fully paid up equity shares having face value of ₹ 10/- each ("**Equity Share(s)**") by the Company from open market through stock exchanges {i.e. through National Stock Exchange of India Limited ("**NSE**") and BSE Limited ("**BSE**"), together "**Stock Exchanges**"} prescribed under the Buy-back Regulations and the Act, for an amount not exceeding ₹ 50,00,00,000/- (Rupees fifty crores only) excluding transaction costs viz, brokerage, advisors' fees, intermediaries' fees, public announcement publication fees, filing fees, turnover charges, applicable taxes such as securities transaction tax, goods and services tax, income tax, stamp duty and other incidental and related expenses, etc. ("**Transaction Costs**") ("**Maximum Buy-back Size**") at a price not exceeding ₹ 7,250/- (Rupees seven thousand two hundred and fifty only) per Equity Share ("**Maximum Buy-back Price**") payable in cash which represents 1.88% and 1.84% of the total paid-up equity share capital and free reserves (including securities premium account) as per the audited Standalone and Consolidated Financial Statements, respectively of the Company for the financial year ended on March 31, 2020 from the equity shareholders | beneficial owners of the Equity Shares of the Company other than the promoters, members of promoter group and persons in control of the Company ("**Buy-back**").

1.2. The Company shall comply with the requirement of maintaining a minimum public shareholding of at least 25% of the total paid-up equity share capital of the Company as provided under Regulation 38 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") during the Buy-back period and upon completion thereof.

1.3. The Buy-back will be implemented by the Company from its free reserves (including securities premium account) and | or such other sources as permitted in accordance with Regulation 4(ix) and in accordance with Regulation 4(iv)(b)(ii) read with Regulation 16 of the Buy-back Regulations from the open market through the stock exchange mechanism using the electronic trading facility provided by the Stock Exchanges and by using the order matching mechanism except "all or none" order matching system as provided under the Buy-back Regulations.

1.4. The Maximum Buy-back Size of ₹ 50,00,00,000/- (Rupees fifty crores only) excluding Transaction Costs represents 1.88% and 1.84% of the total paid-up equity share capital and free reserves (including securities premium account) as per the audited standalone and consolidated financial statements, respectively of the Company for the financial year ended on March 31, 2020. Since the Maximum Buy-back Size is not more than 10% of the total paid-up equity share capital and free reserves (including securities premium account) of the Company, the approval of shareholders of the Company is not required in terms of Section 68(2)(b) of the Act and Regulation 5(i)(b) of the Buy-back Regulations.

1.5. The Buy-back from non-resident members, Overseas Corporate Bodies ("**OCBs**") and Foreign Portfolio Investors ("**FPIs**"), and members of foreign nationality, if any, etc., is subject to such approvals as may be required including approvals from the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and the rules, regulations framed thereunder, if any, and such approvals shall be required to be taken by such non-resident members.

1.6. A copy of this Public Announcement will be available on the website of SEBI (www.sebi.gov.in) as well as on the website of the Company (www.atul.co.in) and website of Stock Exchanges (www.nseindia.com and www.bseindia.com).

02. NECESSITY OF THE BUY-BACK

The Buy-back is being undertaken by the Company to return surplus funds to the equity shareholders of the Company. Additionally, the Company believes that the Buy-back will improve earnings per share by reduction in the equity base, thereby leading to long-term increase in the value of shareholders.

03. MAXIMUM AND MINIMUM BUY-BACK SIZE AND MAXIMUM AND MINIMUM NUMBER OF EQUITY SHARES THAT THE COMPANY PROPOSES TO BUY-BACK

3.1. The maximum amount to be utilised under the Buy-back will not exceed ₹ 50,00,00,000/- (Rupees fifty crores only) excluding Transaction Costs which represents 1.88% and 1.84% of the total paid-up equity share capital and free reserves (including securities premium account) as per the audited Standalone and Consolidated Financial Statements, respectively of the Company for the financial year ended on March 31, 2020.

3.2. At the Maximum Buy-back Size and the Maximum Buy-back Price, the indicative maximum number of Equity Shares to be bought back under the Buy-back will be 68,965 Equity Shares ("**Maximum Buy-back Shares**") which represent 0.23% of the total number of Equity Shares of the Company. If the Equity Shares are bought back at a price below the Maximum Buy-back Price, the actual number of Equity Shares bought back might exceed the indicative Maximum Buy-back Shares (assuming full deployment of the Maximum Buy-back Size) but will always be subject to the Maximum Buy-back Size. The actual number of Equity Shares bought back under the Buy-back will depend upon the actual price (excluding the Transaction Costs) paid for the Equity Shares bought back and the aggregate consideration paid in the Buy-back, subject to the Maximum Buy-back Size. Further, the number of Equity Shares bought back under the Buy-back will not exceed 25% of the total number of Equity Shares of the Company.

3.3. Further, in accordance with Regulation 15 of the Buy-back Regulations, the Company shall utilise at least 50% of the amount earmarked as the Maximum Buy-back Size for the Buy-back, i.e. ₹ 25,00,00,000/- (Rupees twenty five crores only) ("**Minimum Buy-back Size**") and based on the Minimum Buy-back Size and the Maximum Buy-back Price, the Company will purchase indicative minimum of 34,483 Equity Shares ("**Minimum Buy-back Shares**") in the Buy-back, which represents 0.12% of the total number of Equity Shares of the Company.

04. MAXIMUM BUY-BACK PRICE AND BASIS OF ARRIVING AT THE BUY-BACK PRICE

4.1. The Maximum Buy-back Price is ₹ 7,250/- (Rupees seven thousand two hundred and fifty only) per Equity Share. The Maximum Buy-back Price has been arrived at after considering various factors, including but not limited to, the volume weighted average market price of the Equity Shares of the Company on Stock Exchanges during three months and two weeks preceding the date of the Board Meeting, closing market price on the day before the Board Meeting and the potential impact on the net worth and earnings per share of the Company.

4.2. The Maximum Buy-back Price of ₹ 7,250/- (Rupees seven thousand two hundred and fifty only) per Equity Share represents: i) a premium of 13.83% over the volume weighted average market price of the Equity Shares on NSE (the Stock Exchange where the maximum volume of trading in the Equity Shares is recorded) for three months preceding the date of the Board Meeting which was ₹ 6,369.15 and ii) a premium of 11.19% over the volume weighted average market price of the Equity Shares on NSE (the Stock Exchange where the maximum volume of trading in the Equity Shares is recorded) for two weeks preceding the date of the Board Meeting which was ₹ 6,520.17. The closing market price of the Equity Shares as on the day before the Board Meeting was ₹ 6,308.55 on BSE and ₹ 6,303.15 on NSE.

4.3. The Buy-back is proposed to be completed within a maximum period of six months from the date of opening of the Buy-back. Subject to the Maximum Buy-back Price of ₹ 7,250/- (Rupees seven thousand two hundred and fifty only) per Equity Share for the Buy-back and maximum validity period of six months from the date of opening of the Buy-back and achievement of the Minimum Buy-back Size, the actual time frame and the price for the Buy-back will be determined by the Board and | or authorised representatives of the Board or any committee thereof, at their discretion, in accordance with the Buy-back Regulations.

05. DETAILS OF SHAREHOLDING OF THE PROMOTERS AND PROMOTER GROUP AND OTHER DETAILS

5.1. The aggregate shareholding of the promoter and promoter group of the Company and the persons in control of the Company ("**Promoters and Promoter Group**") as on the date of the Board Meeting i.e., January 29, 2021 is given below:

Sr. No.	Name of person	No. of Equity Shares held	% of existing equity share capital
01.	Aagam Holdings Private Limited	66,54,000	22.43
02.	Arvind Farms Private Limited	27,96,208	9.43
03.	Aagam Agencies Private Limited (formerly known as Adhigam Investments Private Limited)	11,94,254	4.03
04.	Aayojan Resources Private Limited	6,14,460	2.07
05.	Akshita Holdings Private Limited	4,64,400	1.57
06.	Adhinami Investments Private Limited	4,55,350	1.54
07.	Anusandhan Investments Limited	2,35,000	0.79
08.	Samvegbhai Arvindbhai Lalbhai	2,02,377	0.68
09.	Saumya Samvegbhai Lalbhai	1,74,070	0.59
10.	Samvegbhai Arvindbhai (On behalf of Samvegbhai Arvindbhai Lalbhai HUF)	1,14,943	0.39
11.	Sunil Siddharth Lalbhai	91,772	0.31
12.	Vimla S Lalbhai*	65,982	0.22
13.	Swati S Lalbhai	63,500	0.21
14.	Taral S Lalbhai	50,022	0.17
15.	Anamikaben Samveghbhai Lalbhai	47,199	0.16
16.	Sunil Siddharth Lalbhai (On behalf of Sunil Siddharth HUF)	31,544	0.11
17.	Astha Lalbhai	20,500	0.07
18.	Hansa Niranjanbhai (On behalf of Manini Niranjan Trust and BOI)	5,999	0.02
19.	Nishtha Sunilbhai Lalbhai	5,500	0.02
20.	Sanjaybhai Shrenikbhai Lalbhai (On behalf of Arvindbhai Lalbhai Family Trust)	3,653	0.01
21.	Sunil Lalbhai Employees Trust	2,000	0.01
22.	Rajivbhai Chinubhai Lalbhai (On behalf of Lalbhai Dalpatbhai HUF)	1,169	0.00
23.	Sheth Narottambhai Lalbhai (on behalf of Sheth Narottambhai Lalbhai HUF)	495	0.00
	Total shareholding	**1,32,94,397**	**44.82**

*Out of 65,982 shares, Vimla S Lalbhai holds 35,620 shares as trustee of Siddharth Family trust (PAN: AAAAS4739D) and 4,612 share as trustee of Vimla Siddharth trust (PAN: AAATV0622P)

5.2. The aggregate shareholding of the Directors of corporate promoter of the Company, other than covered in paragraph 5.1 above, as on the date of the Board Meeting i.e., January 29, 2021 is given below:

Sr. No.	Name of person	No. of Equity Shares held	% of existing equity share capital
01.	Vishnoi Dadhich Singh Rana	950	0.00
02.	Ghanshyam Ranchhoddas Parekh	0	0.00
03.	Arvindbhai Dhirubhai Patel	0	0.00
04.	Rajesh Gajanan Parikh	220	0.00
	Total shareholding	**1,170**	**0.00**

5.3. The aggregate number of Equity Shares purchased or sold by persons mentioned in paragraph 5.1 and 5.2 above during a period of 12 months preceding the date of the Board Meeting, being January 29, 2021, is as follows:

Name of shareholder	Aggregate no. of Equity Shares purchased | sold	Nature of transaction	Maximum price (₹)*	Date of maximum price	Minimum price (₹)*	Date of minimum price
Aagam Holdings Private Limited	3,300	Market purchase	6,390.00	November 14, 2020	6,019.95	December 15, 2020
Adhinami Investments Private Limited	250	Market purchase	4,950.00	February 11, 2020	3,672.00	March 18, 2020
Aayojan Resources Private Limited	460	Market purchase	4,987.00	February 18, 2020	4,830.00	February 28, 2020
Aagam Agencies Private Limited (formerly known as Adhigam Investments Private Limited)	1,85,100	Acquisition pursuant to Scheme of Merger	N.A	February 29, 2020	N.A	February 29, 2020
	853	Market purchase	5,990.00	December 15, 2020	5,951.00	December 15, 2020
Akshita Holdings Private Limited	1,100	Market purchase	6,140.00	September 30, 2020	3,661.00	March 18, 2020

*This price indicates the price at which the trade was executed, exclusive of taxes and transaction charges.

5.4. Except as disclosed above, the Promoters and Promoter Group have not purchased or sold any Equity Shares of the Company and there has been no change in their shareholdings for last twelve months prior to the date of the Board Meeting.

06. NON-PARTICIPATION OF THE PROMOTERS AND PROMOTER GROUP OF THE COMPANY IN THE BUY-BACK

6.1 In accordance with Regulation 16(ii) of the Buy-back Regulations, the Buy-back of Equity Shares shall not be made by the Company from the Promoters and Promoter Group of the Company.

6.2. Further, in accordance with the Regulation 24(i)(e) of the Buy-back Regulations, the promoters or their associates shall not deal in the Equity Shares or other specified securities of the Company in the stock exchange or off-market, including inter-se transfer of shares, during the period from the date of Board Meeting till the closing of the Buy-back.

07. NO DEFAULT

The Company confirms that there are no defaults subsisting in the repayment of deposits or interest thereon, redemption of debentures or preference shares or payment of dividend to any shareholder, or repayment of any term loan or interest payable thereon to any financial institution or banks.

08. CONFIRMATION BY THE BOARD OF DIRECTORS OF THE COMPANY

The Board of Directors of the Company has, at its meeting held on January 29, 2021, confirmed that they have made full enquiry into the affairs and prospects of the Company and that they have formed an opinion-

a) that immediately following the date of the Board Meeting i.e., January 29, 2021 at which the Buy-back of the Equity Shares of the Company is approved, there will be no grounds on which the Company will be found unable to pay its debts;

b) that as regards the prospects of the Company for the year immediately following the date of the Board Meeting held on January 29, 2021 and having regard to the intentions of the Board with respect to the management of the business of the Company during that year and to the amount and character of the financial resources, which will, in the view of the Board, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of the Board Meeting held on January 29, 2021;

c) that the Board has taken into account the liabilities as if the Company were being wound up under the provisions of the Companies Act, 1956 or the Companies Act, 2013 or the Insolvency and Bankruptcy Code, 2016 (including prospective and contingent liabilities).

09. REPORT ADDRESSED TO THE BOARD OF DIRECTORS BY THE COMPANY AUDITORS

The text of the report dated January 29, 2021 received from Deloitte Haskins & Sells LLP (firm registration number -117366W/W-100018) the Statutory Auditors of the Company and the annexed statement of computation of permissible capital payments for the proposed Buy-back of Equity Shares of the Company, addressed to the Board of Directors of the Company are reproduced below:

Quote

To,
Board of Directors,
Atul Limited
Valsad, Gujarat, India
Dear Sir/Madam

Re: Statutory Auditor's Report in respect of proposed buyback of equity shares by Atul Limited (the "Company") in terms of Clause (xi) of Schedule I of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended ("the Buy-back Regulations")

1. This Report is issued in accordance with the terms of our engagement letter dated January 27, 2021.
2. The Board of Directors of the Company have approved a proposal for buyback of equity shares by the Company at its Meeting held on January 29, 2021, in pursuance of the provisions of Sections 68, 69 and 70 of the Companies Act, 2013, as amended (the "Act") and the Buy-back Regulations.
3. We have been requested by the Management of the Company to provide a report on the accompanying "Statement of Permissible Capital Payment as at March 31, 2020" ('Annexure A') (hereinafter referred to as the "Statement"). This Statement has been prepared by the Management, which we have initialled for the purposes of identification only.

Management's Responsibility

4. The preparation of the Statement in compliance with the proviso to Section 68(2)(b) of the Act and the proviso to Regulation 5(i)(b) of the Buy-back Regulations and compliance with the Buy-back Regulations, is the responsibility of the Management of the Company, including the computation of the amount of the permissible capital payment, the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

In the absence of any definition of or guideline for "Insolvent" in the Buyback Regulations, the Company has considered a situation for not being able to continue as going concern (as mentioned in Standard on Auditing 570 (Revised) issued by the Institute of Chartered Accountants of India) for a period of one year from January 29, 2021 as "Insolvent".

Auditor's responsibility

5. Pursuant to the requirements of the Buy-back Regulations, it is our responsibility to provide a reasonable assurance that:
   (i) we have inquired into the state of affairs of the Company in relation to the annual audited standalone and consolidated financial statements as at March 31, 2020;
   (ii) the amount of permissible capital payment as stated in Annexure A, has been properly determined considering the annual audited standalone and consolidated financial statements as at March 31, 2020 in accordance with the proviso to Section 68(2)(b) of the Act and the proviso to Regulation 5(i)(b) of the Buy-back Regulations; and
   (iii) the Board of Directors of the Company, at their Meeting held on January 29, 2021 have formed the opinion as specified in Clause (x) of Schedule I to the Buy-back Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent (as defined in management responsibility above) within a period of one year from the aforesaid date whereat the proposed buyback is approved.
6. The annual standalone and consolidated financial statements referred to in paragraph 5 above, have been audited by us, on which we have issued an unmodified audit opinion in our report dated April 28, 2020. We conducted our audit of the annual standalone and consolidated financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audit was not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.
7. We conducted our examination of the Statement in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes (Revised 2016), issued by the Institute of Chartered Accountants of India (the "Guidance Note") and Standards on Auditing specified under Section 143(10) of the Act, in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements. Further our examination did not extend to any other parts and aspects of a legal or proprietary nature in the aforesaid Buyback.

Opinion

9. Based on inquiries conducted and our examination as above, we report that:
   i. We have inquired into the state of affairs of the Company in relation to its annual audited standalone and consolidated financial statements as at and for the year ended March 31, 2020, which have been approved by the Board of Directors of the Company on April 28, 2020.
   ii. The amount of permissible capital payment towards the proposed buy back of equity shares as computed in the Statement attached herewith, as Annexure A, in our view has been properly determined in accordance with the proviso to Section 68(2)(b) of the Act and the proviso to Regulation 5(i)(b) of the Buy-back Regulations.
   iii. The Board of Directors of the Company, at their meeting held on January 29, 2021 have formed their opinion as specified in clause (x) of Schedule I to the Buy-back Regulations, on reasonable grounds and that the Company having regard to its state of affairs, will not be rendered insolvent (as defined in management responsibility above) within a period of one year from the date of passing of the Board Resolution dated January 29, 2021.

Restriction on use

10. This report has been issued at the request of the Company solely for use of the Company (i) in connection with the proposed buyback of equity shares of the Company as mentioned in paragraph 2 above, (ii) to enable the Board of Directors of the Company to include in the public announcement and other documents pertaining to buyback to be filed with (a) the Registrar of Companies, the Securities and Exchange Board of India, stock exchanges, and any other regulatory authority as per applicable law, (b) the Central Depository Services (India) Limited, National Securities Depository Limited and (c) can be shared with the Merchant Bankers in connection with the proposed buyback of equity shares of the Company for onward submission to relevant authorities in pursuance to the provisions of Section 68 and other applicable provisions of the Act and the Buy-back Regulations, and may not be suitable for any other purpose. This report should not be used for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm Registration No. 117366W/W-100018)

Samir R. Shah
Partner
(Membership No. 101708)
UDIN: 21101708AAAAAP9804

Mumbai, January 29, 2021

ANNEXURE A

Statement of Permissible Capital Payment as at March 31, 2020

Computation of amount of permissible capital payment towards buyback of equity shares in accordance with the proviso to Section 68(2)(b) of the Companies Act, 2013 ("the Act") and the proviso to Regulation 5(i)(b) of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended, based on annual audited standalone and consolidated financial statements as at and for the year ended March 31, 2020.

Particulars		Standalone (₹ cr)	Consolidated (₹ cr)
Paid up equity share capital as on March 31, 2020 (2,96,61,733 fully paid up equity shares of ₹ 10 each)	(A)	**29.66**	**29.66**
Free reserves as on March 31, 2020			
Securities premium		34.66	34.66
General reserve		95.80	97.69
Retained earnings (excluding unrealised or notional gains)		2,494.53	2,556.59
Total Free reserves	(B)	**2,624.99**	**2,688.94**
Total	**C=(A+B)**	**2,654.65**	**2718.60**
Maximum amount permissible towards buy back of equity shares in accordance with the proviso to Section 68(2)(b) of the Companies Act, 2013 read with proviso to Regulation 5(i)(b) of the Buyback Regulations (10 % of Paid up equity capital and free reserves)	**C*10%**	**265.46**	**271.86**

Note: The amount of paid up equity share capital and free reserves as at March 31, 2020 have been extracted from the annual audited standalone and consolidated financial statements of the Company as at and for the year ended March 31, 2020

For and on behalf of Board of Directors of Atul Ltd.
Sunil S Lalbhai
Chairman and Managing Director
January 29, 2021

Unquote

10. DATE OF BOARD APPROVAL FOR THE BUY-BACK

The Board of Directors of the Company has, at its meeting held on January 29, 2021, approved the Buy-back. Since the Maximum Buy-back Size is not more than 10% of the total paid-up equity share capital and free reserves (including securities premium account) of the Company, the approval of shareholders of the Company is not required in terms of the proviso to Section 68(2)(b) of the Act read with the proviso to Regulation 5(i)(b) of the Buy-back Regulations.

11. SOURCE OF FUNDS AND COST OF FINANCING THE BUY-BACK

The amount required by the Company for the Buy-back (including Transaction Costs) will be met out of the balances in free reserves, current surplus and | or cash and cash equivalents and | or internal accruals and | or liquid resources and | or such other permissible sources of funds of the Company, as per the Act and the Buy-back Regulations.

12. PROPOSED TIMETABLE FOR THE BUY-BACK

Activity	Date
Date of approval pf Board of Directors	Friday, January 29, 2021
Date of publication of Public Announcement	Monday, February 01, 2021
Date of opening of the Buy-back	Wednesday, February 10, 2021
Acceptance of Equity Shares accepted in dematerialised form	Upon the relevant pay-out by the Stock Exchanges
Extinguishment of Equity Shares | certificates	The Equity Shares bought back in dematerialised form will be extinguished in the manner specified in the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and the bye-laws framed thereunder and within the timeline prescribed under the Buy-back Regulations.
Last date for the completion of the Buy-back	Earlier of: a. Monday, August 09, 2021 (i.e., within six months from the date of the opening of the Buy-back); or b. when the Company completes the Buy-back by deploying the amount equivalent to the Maximum Buy-back Size; or c. at such earlier date as may be determined by the Board | or its duly authorised Buy-back Committee, after giving notice of such earlier closure, subject to the Company having deployed an amount equivalent to the Minimum Buy-back Size (even if the Maximum Buy-back Size has not been reached or the Maximum Buy-back Shares have not been bought back), however, that all payment obligations relating to the Equity Shares bought back must be completed before the last date for the Buy-back.

13. PROCESS AND METHODOLOGY FOR THE BUY-BACK

13.1. The Buy-back is open to all shareholders | beneficial owners holding the Equity Shares in dematerialised form ("**Demat Shares**"). Shareholders holding Equity Shares in physical form can participate in the Buy-back after such Equity Shares are dematerialised by approaching depository participant. However, in accordance with Regulation 16(ii) of the Buy-back Regulations, the Buy-back will not be made from the Promoters and Promoter Group of the Company.

13.2. Further, as required under the Act and the Buy-back Regulations, the Company will not buy back any Equity Shares which are locked-in or non-transferable, until the pendency of such lock-in, or until the time such Equity Shares become freely transferable, as applicable.

13.3. The Buy-back will be implemented by the Company in accordance with Regulation 4(iv)(b)(ii) read with Regulation 16 of the Buy-back Regulations from the open market through the Stock Exchanges having nationwide terminal, using the order matching mechanism except "all or none" order matching system as provided under the Buy-back Regulations.

13.4. For implementation of the Buy-back, the Company has appointed **Edelweiss Broking Limited** as the registered broker to the Company (the "**Company's Broker**") through whom the purchases and settlements on account of the Buy-back will be made by the Company. The contact details of the Company's Broker are as follows:

Name: Edelweiss Broking Limited
Registered office: 2nd floor, Office no. 201 to 203, Zodiac Plaza,
Xavier College Road, Off CG Road, Ahmedabad - 380 009, Gujarat
Contact person: Mr Nikunj Patel
Phone: (+91-79) 40019900 | (+91) 92233 54802
E-mail: nikunj.patel@edelweiss.in
SEBI registration number: INZ000005231
CIN: U65100GJ2008PLC077462

13.5 The Buy-back will commence on Wednesday, February 10, 2021 (i.e. the date of commencement of the Buy-back) and the Company will place "buy" orders on the Stock Exchanges (BSE and | or NSE) on the normal trading segment to Buy-back the Equity Shares through the Broker of the Company, in such quantity and at such price, not exceeding the Maximum Buy-back Price of ₹ 7,250 per Equity Share, as it may deem fit, depending upon the prevailing market price of the Equity Shares on the Stock Exchanges. When the Company has placed an order for Buy-back of Equity Shares, the identity of the Company as a purchaser will be available to the market participants of the Stock Exchanges.

Procedure for Equity Shares held in dematerialised form ("Demat Shares")

13.6 Beneficial owners holding Demat Shares who desire to sell their Equity Shares in the Buy-back, will have to do so through their stock broker, who is a registered member of the Stock Exchanges by indicating to their broker the details of the Equity Shares they intend to sell whenever the Company has placed a "buy" order for Buy-back of the Equity Shares. The Company will place a "buy" order for Buy-back of Demat Shares, by indicating to the Broker of the Company, the number of Equity Shares it intends to buy along with a price for the same. The trade will be executed at the price at which the order matches the price tendered by the beneficial owners and that price will be the Buy-back price for that beneficial owner. The execution of the order and issuance of contract note will be carried out by the Broker of the Company in accordance with the requirements of the Stock Exchanges and the SEBI. The orders for Equity Shares can be placed on the trading days of the Stock Exchanges. The Company is under no obligation to place "buy" order on a daily basis.

13.7 It may be noted that a uniform price will not be paid to all the shareholders | beneficial owners pursuant to the Buy-back and that the same will depend on the price at which the trade with that particular shareholder | beneficial owner was executed.

Procedure for Equity Shares held in physical form ("Physical Shares")

13.8 As per the proviso to Regulation 40(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, effective from April 01, 2019, transfers of securities shall not be processed unless the securities are held in the dematerialised form with a depository. In light of the above and SEBI circular SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020, the Company shall not accept the Equity Shares tendered under the Buy-back unless such Equity Shares are in dematerialised form.

ACCORDINGLY, ALL SHAREHOLDERS OF THE COMPANY HOLDING EQUITY SHARES IN PHYSICAL FORM AND DESIROUS OF TENDERING THEIR EQUITY SHARES IN THE BUY-BACK ARE ADVISED TO APPROACH THE CONCERNED DEPOSITORY PARTICIPANT TO HAVE THEIR EQUITY SHARES DEMATERIALISED. IN CASE ANY SHAREHOLDER HAS SUBMITTED EQUITY SHARES IN PHYSICAL FORM FOR DEMATERIALISATION, SUCH SHAREHOLDERS MUST ENSURE THAT THE PROCESS OF DEMATERIALISATION IS COMPLETED WELL IN TIME SO THAT THEY CAN PARTICIPATE IN THE BUY-BACK BEFORE THE BUY-BACK CLOSING DATE.

13.9 Shareholders are requested to get in touch with the Manager of the Buy-back or the Broker or the Registrar of the Company to clarify any doubts in the process.

13.10 Subject to the Company purchasing Equity Shares for an amount equivalent to the Minimum Buy-back Size, nothing contained herein shall create any obligation on the part of the Company or the Board to Buy-back any additional Equity Shares or confer any right on the part of any shareholder to have any Equity Shares bought back, even if the Maximum Buy-back Size has not been reached, and | or impair any power of the Company or the Board to terminate any process in relation to the Buy-back, to the extent permissible by law. The Company is under no obligation to utilise the entire amount of Maximum Buy-back Size or buy all the Maximum Buy-back Shares. However, if the Company is not able to complete the Buy-back equivalent to the Minimum Buy-back Size, except for the reasons mentioned in the Buy-back Regulations, the amount held in the Escrow Account (up to a maximum of 2.5% of the Maximum Buy-back Size), may be liable to be forfeited and deposited in the Investor Protection and Education Fund of the SEBI or as directed by the SEBI in accordance with the Buy-back Regulations.

13.11 The Company will submit the information regarding the Equity Shares bought back by it, to the Stock Exchanges on a daily basis in accordance with the Buy-back Regulations. The Company will also upload the information regarding the Equity Shares bought back by it on its website (www.atul.co.in) on a daily basis.

13.12 Shareholders who intend to participate in the Buy-back should consult their respective tax advisors for applicable taxes.

14. METHOD OF SETTLEMENT

14.1 **Settlement of Demat Shares:** The Company will pay consideration for the Buy-back to the Broker of the Company on or before every pay-in date for each settlement, as applicable to the Stock Exchanges where the transaction is executed. Demat Shares bought back by the Company will be transferred into the Demat Account by the Broker of the Company, on receipt of such Demat Shares and after completion of the clearing and settlement obligations of the Stock Exchanges. Beneficial owners holding Demat Shares will be required to transfer the number of such Demat Shares sold to the Company pursuant to the Buy-back, in favour of their stock broker through whom the trade was executed, by tendering the delivery instruction slip to their respective Depository Participant ("**DP**") for debiting their beneficiary account maintained with the DP and crediting the same to the pool account of the broker as per procedure applicable to normal secondary market transactions. The beneficial owners will also be required to provide to the Broker of the Company or the Registrar to the Buy-back, copies of all statutory consents and approvals required to be obtained by them for the transfer of their Equity Shares to the Company.

14.2 **Extinguishment of Demat shares:** The Demat Shares bought back by the Company will be extinguished and destroyed in the manner specified in the Securities and Exchange Board of India (Depository and Participants) Regulations, 2018, as amended and bye-laws framed thereunder, in the manner specified in the Buy-back Regulations and the Act. The Equity Shares lying in credit in the Demat Account will be extinguished within the timeline prescribed under the Buy-back Regulations, provided that the Company undertakes to ensure that all Demat Shares bought back by the Company pursuant to Buy-back are extinguished within 7 (seven) days of expiry of the Buy-back period.

14.3 Consideration for the Equity Shares bought back by the Company will be paid only by way of cash through normal banking channel.

15. BRIEF INFORMATION ABOUT THE COMPANY

15.1 The Atul Products Limited was incorporated on September 05, 1947 under the Indian Companies Act, 1913. Gujarat Aromatics Limited was incorporated in the state of Gujarat on December 11, 1975 under the Companies Act, 1956. Thereafter, pursuant to order of Hon'ble High Court of Gujarat dated July 29, 1988 Atul Products Limited was merged with Gujarat Aromatics Limited in 1975. Later, the name of Gujarat Aromatics Limited was changed to Atul Products Limited pursuant to fresh certificate of incorporation consequent upon change of name dated September 14, 1988 issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli. The name of the Company was further changed to 'Atul Limited' ("ATUL") pursuant to fresh certificate of incorporation consequent upon change of name dated July 22, 1996 issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli at Ahmedabad. The CIN of the Company is L99999GJ1975PLC002859.

Continue...

GOVT ISSUES SOPs

100% occupancy in theatres from today

PRESS TRUST OF INDIA
New Delhi, January 31

CINEMA HALLS ACROSS the country will be permitted to operate at full capacity from Monday with adherence to COVID-19 safety protocols, information and broadcasting (I&B) minister Prakash Javadekar announced on Sunday.

Adequate physical distancing, mandatory face masks and sanitisation of auditorium after every screening are among the latest SOPs issued by the Ministry of Information and Broadcasting on Sunday, after the government allowed cinema halls to operate at 100% occupancy from Monday.

Digital booking of tickets and staggered show timings to avoid crowding will be encouraged, the minister said, releasing a set of the standard operating procedures (SOPs).

"There is good news. In February, people can watch and enjoy films in theatres as we are allowing full occupancy in all cinema halls. Cinema halls can now open at 100% capacity. We encourage as much online booking (of tickets) as possible," Javadekar told reporters here.

Information & broadcasting minister Prakash Javadekar

The development comes days after the Ministry of Home Affairs (MHA) allowed cinema halls and theatres to operate with more people as per fresh COVID-19 reopening guidelines. According to new guidelines, no film shall be allowed to screen in containment zones and states and the Union Territories may consider "proposing additional measures" as per their assessment.

To minimise physical contact, digital transactions should be the "most preferred mode" for booking tickets or payment. Contact number shall be taken at the time of booking of tickets to facilitate contact tracing.

"Sufficient number of counters at the box office shall be opened with adequate physical distancing norms, to prevent crowding during physical booking of tickets," the SOPs read.

Adequate time intervals between successive screenings on a single screen as well as on various screens in a multiplex shall be provided to ensure "row-wise staggered entry and exit of the audience".

"Staggered show timings will be encouraged so that the entry and exit of the crowd can be managed better. Sanitisation and all COVID-19 safety protocols must be followed," Javadekar added.

The Producers Guild of India and Multiplex Association of India (MAI) welcomed the decision. "We welcome the decision of @MIB_India to allow 100% capacity in cinemas from February 1 and extend our sincere gratitude to Honourable @PrakashJavdekar ji and everyone involved in facilitating this important step in our industry's recovery," the guild said on Twitter.

Continuing with the basic health guidelines amid the pandemic, there should be availability of hand sanitisers – preferably in the touch-free mode – at entry and exit points. A thermal screening of all visitors and staff will be carried out at entry points, with only asymptomatic individuals allowed to enter, according to the guidelines.

Installation and use of the Aarogya Setu App "shall be advised to all," the SOPs read.

"Customers can also buy food and beverage from the stalls at the theatres and can carry it with them inside (the auditorium). These are all normal things but when the situation became abnormal due to COVID-19, we had to put these restrictions. These restrictions are on the verge to be relaxed," the minister added.

According to the guidelines, if any person visiting cinema hall is found COVID-19 positive the entire premise will have to be disinfected.

Gujarat to re-tender 700 MW solar projects to seek lower tariff

FE BUREAU
New Delhi, January 31

IN THE LIGHT of solar power tariffs reaching a record low of ₹1.99/unit, Gujarat will conduct another auction for 700 mega-watt (MW) of solar power plants to be built in Dholera, even as these projects were earlier auctioned.

In the earlier auction completed in August, 2020, the lowest tariff discovered was ₹2.78/unit. The winners — Vena Energy, Tata Power, ReNew Power, state-run Satluj Jal Vidyut Nigam and TEQ Green — were already issued letters of award (LoAs) for the project in October, 2020. The final power purchase agreements were scheduled to be signed in January, but were not clinched. Even though the LoAs are not cancelled, the state government has obtained regulatory clearance for another round of bidding.

The project developers have already paid about ₹97 crore upfront as cost of land, and have agreed to pay operation and maintenance cost of ₹28 crore per year, escalating at 5% per annum. Some of the successful bidders have even started the works for construction of the solar projects at their respective sites. Industry players see the move as the perpetuation of the policy uncertainty regarding solar, which is snowballing into a major impediment towards achieving the target of having 1,75,000 MW of renewable power capacity by 2022.

The Gujarat state electricity regulatory commission has allowed state power utility Gujarat Urja Vikas Nigam Ltd (GUVNL) to go ahead with the re-tendering process, "which clearly appears to be for public good and common good".

GUVNL said that after the LoAs were issued, "it has been revealed that the capital cost and other expenses for solar projects may have significantly reduced and resulting in much reduced solar power quoted tariff in a competitive bid process".

Solar tariffs fell to the record low levels in an auction for 500 MW plants conducted by GUVNL itself in December. In its latest petition, GUVNL admitted that capital cost for solar projects in Dholera solar park is not comparable with the solar plants being set up at other parts of the state as site is silty, making it difficult to construct sustainable foundations without additional measures for structures and modules.

The power ministry wants to develop Dholera as a special investment region, and is also interested to develop the Dholera solar park where 5,000 MW capacity installation is estimated.

15.2 The registered office of the Company is located at Atul House, G I Patel Marg, Ahmedabad 380 014, Gujarat, India and the manufacturing facilities of the Company are located at Ankleshwar, Atul and Panoli, Gujarat and Tarapur, Maharashtra, India.

15.3 The Company is a diverse Indian chemical company serving customers in 90 countries with ~ 900 products and ~ 400 formulations; it owns 140 retail brands. The Company meets the needs of its customers belonging to varied industries such as Adhesives, Aerospace, Agriculture, Animal Feed, Automobile, Chemical, Composite, Construction, Cosmetic, Defence, Dyestuff, Electrical and Electronics, Flavour, Food, Footwear, Fragrance, Glass, Home Care, Horticulture, Hospitality, Paint and Coatings, Paper, Personal Care, Pharmaceutical, Plastic, Polymer, Rubber, Soap and Detergent, Sport and Leisure, Textile, Tyre and Wind Energy. The first manufacturing site of the Company is amongst the greenest chemical complexes in the world and one of the largest integrated chemical companies in India; it manages complex chemical processes in a responsible way.

15.4 The Equity Shares of the Company are listed and traded on NSE with Scrip symbol: ATUL and BSE with Scrip code: 500027 since May 6, 1998 and April 28, 1978, respectively. The ISIN of the Equity Shares of the Company is INE100A01010.

16. FINANCIAL INFORMATION ABOUT THE COMPANY

The financial information about the Company on the basis of unaudited limited review standalone and consolidated financial results for the nine months period ended December 31, 2020 and audited Standalone and Consolidated Financial Statements of the Company for the last three financial years ended March 31, 2020, March 31, 2019 and March 31, 2018 prepared in accordance with Ind AS is provided hereunder:

STANDALONE FINANCIAL INFORMATION

(₹ crores)

Particulars	Nine months ended	Financial year ended		
	December 31, 2020	March 31, 2020	March 31, 2019	March 31, 2018
	(Unaudited)	(Audited)	(Audited)	(Audited)
Total income	**2,522.23**	**3,983.27**	**3,947.17**	**3,186.02**
Total expenses (excluding finance costs and depreciation and amortisation, tax and exceptional items)	1,830.28	3,061.32	3,179.62	2,675.09
Finance cost	1.46	2.35	3.66	8.90
Depreciation and amortisation expense	88.64	117.06	111.99	104.78
Exceptional items {expense | (income)}	0.00	0.00	0.00	0.00
Profit before tax	**601.85**	**802.54**	**651.90**	**397.25**
Tax expense	140.14	162.37	223.26	126.84
Profit after tax	**461.71**	**640.17**	**428.64**	**270.41**
Other comprehensive income | (loss) net of tax	107.89	(66.80)	63.35	39.13
Total comprehensive income	569.60	573.37	491.99	309.54
Equity share capital	29.68	29.68	29.68	29.68
Other equity	NA	3,040.70	2,619.88	2,167.86
Net worth (excluding revaluation reserve)	**NA**	**3,070.38**	**2,649.56**	**2,197.54**
Non-current borrowings	NA	0.00	0.00	0.00
Current portion of long term borrowings	NA	0.00	0.00	0.00
Current borrowings	NA	0.00	0.00	0.01
Total debt *	NA	0.00	0.00	0.01

* total debt = current borrowings + non-current borrowings + current portion of long-term borrowings

The financial ratios of the Company as derived from the financial information about the Company on the basis of unaudited limited review standalone financial results for the nine months period ended December 31, 2020 and audited Standalone Financial Statements of the Company for the last three financial years ended March 31, 2020, March 31, 2019 and March 31, 2018 prepared in accordance with Ind AS are set out below:

Particulars	Nine months ended	Financial year ended		
	December 31, 2020	March 31, 2020	March 31, 2019	March 31, 2018
Earnings per share - basic (₹)(1)	155.66*	215.82	144.51	91.16
Earnings per share - diluted (₹)(1)	155.66*	215.82	144.51	91.16
Book value per share (₹)(2)	NA	1,035.13	893.26	740.87
Return on net worth (%)(3)	NA	20.85%	16.18%	12.31%
Debt-equity ratio(4)	NA	Nil	Nil	0.00

Note: The formulae used for computation of the above ratios are as follows:

(1) earnings per share = profit after tax ÷ weightage average number of Equity Shares outstanding during the year

(2) book value per share = (equity share capital + other equity) ÷ number of Equity Shares outstanding at the end of the year

(3) return on net worth = profit after tax ÷ net worth excluding revaluation reserve for the relevant period

(4) debt-equity ratio = total debt ÷ net worth excluding revaluation reserve

*not annualised

CONSOLIDATED FINANCIAL INFORMATION

(₹ crores)

Particulars	Nine months ended	Financial year ended		
	December 31, 2020	March 31, 2020	March 31, 2019	March 31, 2018
	(Unaudited)	(Audited)	(Audited)	(Audited)
Total income	**2,699.89**	**4,171.10**	**4,072.67**	**3,363.83**
Total expenses (excluding finance costs and depreciation and amortisation, tax and exceptional items)	1,952.74	3,191.05	3,271.03	2,832.73
Finance cost	6.99	9.40	7.41	12.74
Depreciation and amortisation expense	99.73	130.21	118.91	110.38
Exceptional items {expense | (income)}	0.00	0.00	0.00	0.00
Share of profit | (loss) of associate	5.13	4.98	5.02	4.23
Profit before tax	**645.56**	**845.42**	**680.34**	**412.21**
Tax expense	162.21	174.51	244.32	130.97
Profit after tax	**483.35**	**670.91**	**436.02**	**281.24**
Other comprehensive income | (loss) net of tax	112.96	(63.22)	60.42	44.13
Total comprehensive income	596.31	607.69	496.44	325.37
Equity share capital	29.68	29.68	29.68	29.68
Other equity	NA	3,125.22	2,676.03	2,214.24
Net worth (excluding revaluation reserve and non-controlling interest)	**NA**	**3,154.90**	**2,705.71**	**2,243.92**
Non-current borrowings	NA	86.58	43.14	0.00
Current portion of long term borrowings	NA	11.50	2.21	0.01
Current borrowings	NA	10.39	9.32	15.91
Total debt *	NA	108.47	54.67	15.92

* total debt = current borrowings + non-current borrowings + current portion of long-term borrowings

The financial ratios of the Company as derived from the financial information about the Company on the basis of unaudited limited review consolidated financial results nine months period ended December 31, 2020 and audited Consolidated Financial Statements of the Company for the last three financial years ended March 31, 2020, March 31, 2019 and March 31, 2018 prepared in accordance with Ind AS are set out below:

Particulars	Nine months ended	Financial year ended		
	December 31, 2020	March 31, 2020	March 31, 2019	March 31, 2018
Earnings per share - basic (₹)(1)	162.06*	224.69	145.72	94.82
Earnings per share - diluted (₹)(1)	162.06*	224.69	145.72	94.82
Book value per share (₹)(2)	NA	1,063.63	912.19	756.50
Return on net worth (%)(3)	NA	21.27%	16.11%	12.53%
Debt-equity ratio(4)	NA	0.03	0.02	0.01

Note: The formulae used for computation of the above ratios are as follows:

(1) earnings per share = profit after tax ÷ weightage average number of Equity Shares outstanding during the year

(2) book value per share = (equity share capital + other equity) ÷ number of Equity Shares outstanding at the end of the year

(3) return on net worth = profit after tax ÷ net worth excluding revaluation reserve for the relevant period

(4) debt-equity ratio = total debt ÷ net worth excluding revaluation reserve

*not annualised

17. DETAILS OF THE ESCROW ACCOUNT

17.1 In accordance with Regulation 20 of the Buy-back Regulations, the Company has appointed State Bank of India as the Escrow Agent for the Buy-back. The Company, the Manager to the Buy-back and the Escrow Agent have entered into an Escrow Agreement dated January 29, 2021 pursuant to which the Escrow Account in the name and style ***"Atul Limited – Buy-back – Escrow Account"*** bearing account number 39971172579 has been opened with the Escrow Agent. The Manager has been empowered to operate the Escrow Account in accordance with the Buy-back Regulations. The Company will deposit the applicable escrow amount in the form of bank guarantee issued in favor of the Manager to the Buy-back for an amount of ₹ 12,50,00,000/- (Rupees twelve crores fifty lakhs only) being 25% of the Maximum Buy-back Size and a sum of ₹ 1,25,00,000/- (Rupees one crore twenty five lakhs only) in cash in above Escrow Account, being 2.5% of the Maximum Buy-Back Size (**"Escrow Amount"**) before opening of the Buy-back in accordance with the Buy-back Regulations.

17.2 If the Company is not able to complete the Buy-back equivalent to the Minimum Buy-back Size, except for the reasons mentioned in the Buy-back Regulations, the amount held in the Escrow Account (up to a maximum of 2.5% of the Maximum Buy-back Size), may be liable to be forfeited and deposited in the Investor Protection and Education Fund of SEBI or as directed by the SEBI in accordance with the Buy-back Regulations.

17.3 The amount lying to the credit of the Escrow Account will be released to the Company on completion of all obligations in accordance with the Buy-back Regulations.

18. LISTING DETAILS AND STOCK MARKET DATA

18.1 The Equity Shares of the Company are listed and traded on NSE with Scrip Symbol: ATUL and BSE with Scrip Code: 500027. The ISIN of the Equity Shares of the Company is INE100A01010.

18.2 The high, low, average market prices and total volume of Equity Shares traded in the last three financial years (April to March) and the monthly high, low, average market prices and total volume of Equity Shares traded for the six completed calendar months preceding the date of publication of Public Announcement and the corresponding volumes on BSE and NSE are as follows:

BSE (Scrip Code: 500027)

Period	High			Low			Average price (₹)	Total volume traded in the period (No. of shares)
	High price (₹)	Date of high price	No. of shares traded on that date	Low price (₹)	Date of low price	No. of shares traded on that date		
PRECEDING 3 YEARS								
FY 2019-20	5,447.25	March 03, 2020	9,850	3,256.60	March 19, 2020	7,432	4,029.89	6,12,630
FY 2018-19	3,633.25	January 21, 2019	7,079	2,600.00	July 02, 2018	682	3,122.50	7,69,676
FY 2017-18	3,084.00	January 12, 2018	3,017	1,958.25	August 11, 2017	6,785	2,482.22	13,78,294
PRECEDING 6 MONTHS								
January, 2021	6,791.90	January 25, 2021	1,442	6,219.80	January 28, 2021	1,572	6,517.29	89,252
December, 2020	6,700.00	December 24, 2020	25,058	5,951.10	December 15, 2020	2,546	6,222.52	1,04,145
November, 2020	6,660.00	November 23, 2020	1,119	5,868.00	November 02, 2020	597	6,269.60	21,545
October, 2020	6,249.00	October 23, 2020	4,229	5,755.00	October 20, 2020	1,827	6,017.82	35,194
September, 2020	7,021.25	September 16, 2020	4,846	5,776.05	September 01, 2020	3,465	6,271.53	90,186
August, 2020	6,441.40	August 28, 2020	10,948	5,019.50	August 03, 2020	679	5,497.73	63,031

Source: www.bseindia.com

Note: High and low price for the period are based on intraday prices and average price is based on average of closing price.

NSE (Scrip Symbol: ATUL)

Period	High			Low			Average price (₹)	Total volume traded in the period (No. of shares)
	High price (₹)	Date of high price	No. of shares traded on that date	Low price (₹)	Date of low price	No. of shares traded on that date		
PRECEDING 3 YEARS								
FY 2019-20	5,445.00	March 03, 2020	64,489	2,923.20	March 25, 2020	30,204	4,030.07	53,83,019
FY 2018-19	3,658.95	March 29, 2019	17,995	2,600.75	June 28, 2018	3,024	3,124.28	42,44,831
FY 2017-18	3,094.70	January 12, 2018	47,969	1,945.40	May 05, 2017	51,503	2,483.47	48,37,046
PRECEDING 6 MONTHS								
January, 2021	6,800.00	January 25, 2021	35,561	6,222.00	January 28, 2021	28,275	6,516.51	8,30,642
December, 2020	6,700.00	December 24, 2020	39,507	5,951.00	December 15, 2020	56,556	6,223.06	6,61,057
November, 2020	6,600.00	November 20, 2020	8,630	5,860.00	November 02, 2020	19,521	6,270.86	4,52,926
October, 2020	6,251.70	October 01, 2020	13,946	5,760.00	October 20, 2020	24,738	6,015.25	6,05,743
September, 2020	7,019.75	September 16, 2020	83,553	5,734.00	September 01, 2020	62,298	6,272.48	17,83,789
August, 2020	6,443.45	August 28, 2020	1,45,466	5,019.10	August 03, 2020	10,868	5,497.31	10,85,060

Source: www.nseindia.com

Note: High and low price for the period are based on intraday prices and average price is based on average of closing price.

18.3 The closing market prices of the Equity Shares on BSE and NSE on January 28, 2021 being the working day previous to the day on which the Board approved the proposal for Buy-back, were ₹ 6,308.55 and ₹ 6,303.15 respectively.

18.4 The closing market prices of the Equity Shares on BSE and NSE on January 29, 2021 being the day, on which the Board approved the proposal for Buy-back, were ₹ 6,373.80 and ₹ 6,372.60 respectively.

18.5 The closing market prices of the Equity Shares on BSE and NSE as on the trading day precedent to date of intimation of the Board Meeting for considering the Buy-back, being January 21, 2021 were ₹ 6,455.90 and ₹ 6,449.85 respectively.

19. PRESENT CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

19.1 The capital structure of the Company as on the date of Public Announcement and post Buy-back indicative capital structure of the Company is set forth below: (₹ crores)

Particulars	Pre-Buy-back as on date of PA (₹)	Post-Buy-back (₹)*
Authorised share capital		
8,00,00,000 Equity Shares of ₹ 10/- each	80.00	80.00
80,00,000 cumulative redeemable preference shares of ₹ 100/- each	80.00	80.00
Total	**160.00**	**160.00**
Issued and subscribed equity share capital#		
Pre Buy-back: 2,96,91,780 Equity Shares of ₹ 10/- each	29.69	-
Post Buy-back: 2,96,22,815 Equity Shares of ₹ 10/- each*	-	29.62
Fully paid-up equity share capital		
Pre Buy-back: 2,96,61,733 Equity Shares of ₹ 10/- each	29.66	-
Post Buy-back: 2,95,92,768 Equity Shares of ₹ 10/- each*	-	29.59

*Assuming the Buy-back of indicative Maximum Buy-back Shares. However, post Buy-back the issued, subscribed and paid up share capital may defer depending upon the actual number of Equity Shares bought back under the Buy-back.

#includes 29,991 Equity Shares forfeited and 56 Equity Shares held in abeyance.

19.2 As on the date of this Public Announcement, there are no outstanding Equity Shares which are partly paid (except forfeited shares) or with call in arrears and there are no outstanding securities convertible into Equity Shares of the Company.

19.3 As on the date of this Public Announcement, there is no pending scheme of amalgamation or compromise or arrangement pursuant to any provisions of the Companies Act, 2013.

19.4 The shareholding pattern of the Company (a) pre Buy-back ie as on January 29, 2021 and (b) the post Buy-back is as follows:

Category of shareholder	Pre Buy-back		Post Buy-back*	
	Number of Equity Shares	% to existing equity share capital	Number of Equity Shares	% to post Buy-back equity share capital
Promoters and Promoter Group	1,32,94,397	44.82	1,32,94,397	44.92
Foreign investors (including Non-Resident Indians, FIIs and foreign mutual funds)	29,54,203	9.96	1,62,98,371	55.08
Financial institutions | banks and mutual funds promoted by banks | institutions	67,90,665	22.89		
Others (public, public bodies corporate, etc)	66,22,468	22.33		
Total	**2,96,61,733**	**100.00**	**2,95,92,768**	**100.00**

*Assuming the Buy-back of indicative Maximum Buy-back Shares. However, post Buy-back the issued, subscribed and paid up share capital may defer depending upon the actual number of Equity Shares bought back under the Buy-back.

19.5 For the aggregate shareholding of the Promoters and Promoter Group of the Company as on the date of commencement of the Board Meeting i.e., January 29, 2021, please refer to paragraph 5.1 and for the details of the transactions undertaken by the Promoters and Promoter Group of the Company during last 12 months from the date of this Public Announcement, please refer to Paragraph 5.3.

20. MANAGEMENT DISCUSSION AND ANALYSIS AND THE LIKELY IMPACT OF BUY-BACK ON THE COMPANY

20.1 The Company believes that the Buy-back is not likely to cause any material impact on the profitability | earnings of the Company except to the extent of reduction in the amount available for investment, which the Company might have otherwise deployed towards generating investment income. At the Maximum Buy-back Size, the funds deployed by the Company towards the Buy-back will be ₹ 50,00,00,000 /- (Rupees fifty crores only) excluding Transaction Costs.

20.2 In accordance with Regulation 16(ii) of the Buy-back Regulations, the Buy-back shall not be made from the Promoters and Promoter Group of the Company. Accordingly, the percentage of voting rights held by Promoters and Promoter Group will increase. However, total voting rights held by Promoters and Promoter Group post Buy-back will not exceed the maximum permissible non-public shareholding. The exact percentage of voting rights of Promoters and Promoter Group, post Buy-back will be dependent upon the actual number of Equity Shares bought back under the Buy-back. Further, the Promoters of the Company are already having control over the affairs of the Company and therefore any increase in voting rights of the Promoters and Promoter Group consequent to Buy-back, will not result in any change in control over the affairs of the Company and shall be in compliance with the provisions of the Securities and Exchange of Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and SEBI Listing Regulations.

20.3 The Buy-back of Equity Shares will not affect the existing management structure of the Company.

20.4 Consequent to the Buy-back and depending on the actual number of Equity Shares bought back from the non-resident shareholders, financial institutions, banks, mutual funds and other public shareholders, the shareholding of each such person will undergo a change and the details of such change is given in paragraph 19.4 hereinbefore.

20.5 As required under Section 68(2)(d) of the Act and Regulation 4(ii) of the Buy-back Regulations, the ratio of the aggregate of secured and unsecured debts owed by the Company post the Buy-back shall not be more than twice the paid-up equity share capital and free reserves of the Company based on both audited Standalone and Consolidated Financial Statements for the financial year ended March 31, 2020.

20.6 The Promoters and Promoter Group of the Company shall not deal in the Equity Shares of the Company on Stock Exchanges or off market, including by way of inter-se transfer(s) of Equity Shares among the Promoters and Promoter Group, during the period from the date of passing of the board resolution till the closure of the Buy-back.

20.7 The Company shall not issue any Equity Shares or specified securities including by way of bonus till the date of expiry of Buy-back period. Further, the Company shall not raise further capital for a period of one year from the expiry of Buy-back period, except in discharge of its subsisting obligations.

20.8 The funds borrowed from banks and financial institutions will not be used for the Buy-back. The Company shall not buy back its shares from any person through negotiated deal whether on or off the stock exchanges or through spot transactions or through private arrangement. The Equity Shares bought back by the Company will be compulsorily extinguished and destroyed and will not be held for re-issue at a later date. The Company is not undertaking the Buy-back to delist its equity shares from the Stock Exchanges.

21. STATUTORY APPROVALS

21.1 Pursuant to Sections 68, 69, 70, and all other applicable provisions of the Act and applicable rules thereunder and the provisions of the Buy-back Regulations, the Company has obtained the Board approval as mentioned above.

21.2 The Buy-back is subject to receipt of such sanctions and approvals from statutory, regulatory or governmental authorities as may be required under applicable laws, including the Reserve Bank of India, the SEBI and the stock exchanges on which the Equity Shares are listed, namely, NSE and BSE.

21.3 The Buy-back will be subject to such necessary approvals as may be required, and the Buy-back from overseas corporate bodies ("OCB") and other applicable categories will be subject to such approvals of the Reserve Bank of India, if any, under the Foreign Exchange Management Act, 1999 and the rules and regulations framed thereunder.

21.4 The shareholders will be solely responsible for obtaining all such statutory consents and approvals (including, without limitation the approvals from the Reserve Bank of India and | or the SEBI, if any) as may be required by them in order to sell their Equity Shares to the Company pursuant to the Buy-back. Shareholders will be required to provide copies of all such consents and approvals obtained by them to the Broker of the Company.

21.5 As on date, to the best knowledge of Company, there are no other statutory or regulatory approvals required to implement the Buy-back, other than that indicated above. If any statutory or regulatory approvals become applicable subsequently, the Buy-back will be subject to such statutory or regulatory approvals.

22. COLLECTION AND BIDDING CENTRE

The Buy-back will be implemented by the Company by way of open market purchase through the Stock Exchanges using their nationwide trading terminals. Therefore, the requirements of having collection centers and bidding centers are not applicable.

23. COMPLIANCE OFFICER

Investors may contact the Compliance Officer of the Company for any clarifications or to address their grievances, if any, between 10:30 am and 5:00 pm on all working days except Saturday, Sunday and public holidays, at the following address:

Mr Lalit Patni, Company Secretary and Chief Compliance Officer
Atul Limited
Atul 396 020, Gujarat, India
Phone: (+91 2632) 233261 | 230000 | 230232
E-mail: shareholders@atul.co.in | **Website:** www.atul.co.in

24. REGISTRAR TO THE BUY-BACK | INVESTOR SERVICE CENTRE

In case of any queries, shareholders may also contact the Registrar to the Buy-back between 10:00 am and 5:00 pm on all working days, except Saturday, Sunday and public holidays, at the following address:

LINK Intime

Link Intime India Private Limited
506-508 Amarnath Business Centre - 1
Umashankar Joshi Marg, off C G Road
Ahmedabad 380 006, Gujarat, India
Phone: (+91 79) 26465179 | 86 | 87
Contact person: Mr Nilesh Dalwadi
E-mail: nilesh.dalwadi@linkintime.co.in | **Website:** www.linkintime.co.in
SEBI registration no.: INR000004058 | **CIN:** U67190MH1999PTC118368

25. MANAGER TO THE BUYBACK OFFER

VIVRO

Vivro Financial Services Private Limited
Vivro House, 11 Shashi Colony
Opposite Suvidha Shopping Center
Paldi, Ahmedabad 380 007, Gujarat, India
Phone: (+91 79) 40404242 | Fax no.: (+91 79) 26650570
Contact person: Mr Harish Patel | Mr Bhargav Parekh
E-mail: investors@vivro.net | **Website:** www.vivro.net
SEBI registration no.: INM000010122 | **Validity:** permanent | **CIN:** U67120GJ1996PTC029182

26. DIRECTORS' RESPONSIBILITY STATEMENT

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

For and on behalf of the Board of Directors of Atul Limited

Sd/-	**Sd/-**	**Sd/-**
Sunil Siddharth Lalbhai	**T R Gopi Kannan**	**Lalit Patni**
Chairman and Managing Director	**Whole-time Director and CFO**	**Company Secretary and Compliance Officer**
DIN: 00045590	**DIN: 00048645**	**(Membership number: F4625)**
Place: Atul	**Place:** Mumbai	**Place:** Atul

Date: January 30, 2021

RAKA

Opinion

MONDAY, FEBRUARY 1, 2021

AN ALTERNATIVE CHANNEL

Narendra Singh Tomar, Union agriculture minister

"The new (farm) laws give the farmers an alternative channel to sell their produce. Because of these, farmers can sell anywhere, within their states and outside—without any hassles"

RationalExpectations

SUNIL JAIN
sunil.jain@expressindia.com
@thesuniljain

Five things to judge the budget by

Expenditure growth has to be high, a lot of privatisation, no new cess, big infra-push & 1991-style sweeping reform

WHETHER THE FINANCE MINISTER can pull off the once-in-a-century budget she spoke of remains to be seen, but it is clear she has a daunting task. She must spend a lot to take care of the Covid-induced collapse in, especially, the informal part of the economy—else, the economy will remain sluggish after FY22—but, at the same time, convince bond markets, and rating agencies, that this is a one-off that will make both debt and deficits reduce over 2-3 years.

And since she cannot spend enough to offset the slowing private consumption or the collapse in investment and export levels, she needs 1991-style reforms to boost investor spirits and put India back on the export path. Over the last seven years, investment and exports have fallen by nearly 12% of GDP; fixing this requires a different strategy.

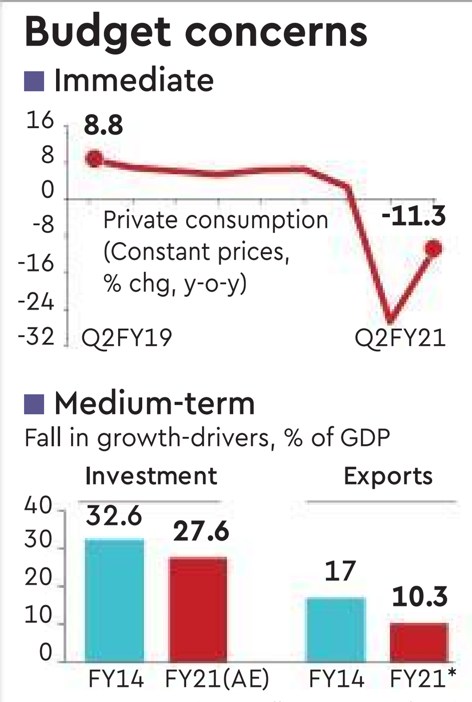
Deciphering a budget speech is always confusing, this year will be worse. After falling by 8-9% in FY21 vs FY20, FY22 taxes will be 16-17% higher than the actuals in FY21, but they will still be lower than those budgeted for FY21! So how do you evaluate the budget?

The first number to look for is expenditure. In the last five years, central expenditure rose by 10% annually; in FY22, it must rise by 15-16% for any meaningful repair of the economy. This is a temporary fix, to keep the economy ticking, to ensure those who lost jobs can survive till such time that, when growth is back, they can return to their jobs.

And while higher expenditure could mean higher interest rates, raising expenditures is difficult since a large part of it grows very slowly. Salaries and defence account for around a fifth of the budget, but they grew by less than 3% in FY21; pensions account for another 7% or so, and while they grew 14% in FY21, they grew by under 6% in FY20. Roads and highways which, under Nitin Gadkari, is probably the most efficient infrastructure ministry, managed to raise its expenditure by around 14% annually over the last five years but not everyone can replicate the performance.

The ₹100-lakh crore National Infrastructure Pipeline (NIP) over the next five years is an integral part of the budget, but achieving the target requires near doubling of the expenditure made in the last seven years. A fourth of NIP's capex is to be invested in the power sector but who will invest if, despite a plethora of 'reforms' like UDAY over the last few decades, the state electricity boards (SEBs) remain bankrupt and unwilling to change; one way out is to allow RBI to deduct from state government accounts if SEBs default on payments, as they routinely do, but prime minister Modi has stayed away from this (this is where the 1991-style reforms will help).

Budget concerns



*Data till Dec, annualised

If line ministries can't bump up expenditure quickly, including on MGNREGA, maybe cash payments of ₹500 per month for a year to the bottom quintile can be thought of; if families know they will get the money for a year, they are more likely to spend it instead of trying to save.

In this context, there will be a temptation to find some way to tax the rich to defray part of the costs, possibly through a Covid tax or surcharge, a one-time wealth tax, etc. This is a bad idea since taxing the rich will lower demand whereas the need right now is to increase consumption; only when demand rises will capacity utilisation in factories rise from the 65-70% it is right now, and only when it is up to 85-90% levels will the investment cycle resume. The top 10% of the population account for around 22-23% of consumption and around 30% of income in the country.

Also, when even something as draconian as demonetisation couldn't get too much money from the rich, it is quite likely they will find a way to escape any major tax imposition or scheme to get part of their wealth; the signals it sends in terms of the government being confiscatory is an even bigger issue, so any fresh tax is to be avoided.

A better idea is to go for a massive PSU sell-off, say, of around 1-1.5% of GDP, to help finance the increased expenditure. But since the government has almost always failed to meet its target—even the FY21 budget had a ₹2.1 lakh crore selloff target—this needs to be done differently. And while the new PSU policy the FM has spoken of envisages retaining just 3-4 PSUs in strategic sectors while selling off the rest, keep in mind that many attempts at big privatisation like Air India have failed; also if, as it did for banks, the government decides to merge PSUs to reduce their number, it doesn't really help. Ideally, the government should look at selling ₹15,000-20,000 crore of PSU shares every month regardless of price, a Systematic Withdrawal Plan (SWP) in quite the same manner people invest in mutual funds via Systematic Investment Plan (SIPs) of a fixed day of the month.

Since the government did not have an SWP in FY21, it is likely to raise just ₹30,000-35,000 crore this year; to put this in perspective, in just April-November this year, India Inc raised ₹1.4 lakh crore from equity markets. By the way, since Modi first came to power, while the BSE market cap rose 2.2 times, that of PSUs fell 9%; that means every day the government holds on to PSU stocks, it loses money.

Last, watch out for 1991-style reforms. Genuine PSU privatisation could be one such reform and, if that happens, even if overall demand doesn't pick up, firms may want to buy good assets priced attractively. Indeed, NIP can't take off till there are a series of reforms such as in the power sector and, as this newspaper has documented so assiduously, if government policy improved, many industries like telecom and oil & gas would jumpstart investments immediately. But what they want is consistent policy aimed at helping industry resolve issues immediately, not sclerotic policy that promotes PLI and cuts tax rates one day but challenges the Vodafone arbitration ruling the next.

AlteringPERCEPTION

Psychedelic substances are being increasingly tested for therapeutic use for mental health conditions

IN THESE TIMES labelled Orwellian by many in the commentariat, some scientists are trying to see if a Huxleyan turn (in Aldous Huxley's *Island*, not *Brave New World*) could work for mental health. Once associated with the countercultural movement of the 1960s, and now, with everything from creativity to delinquency, psychedelic substances such as psilocybin, LSD and even MDMA are being studied by researchers for possible use in treatment of mental health conditions. *Nature* reports that clinical trials involving psychedelics have risen from three in 2010 (all involving MDMA) to 17 last year (13 psilocybin, three MDMA and one LSD).

In some cultures, psychedelic substances have been tolerated across centuries, even celebrated, if not for therapeutic uses—India is, of course, one of the most notable examples. But, it is only now that Western medicine is testing these for therapeutic value in mental health; marijuana has been used in pain relief and palliative care, but hardly ever as a drug to fight depression or anxiety disorders. Indeed, the US's 'war against drugs' set the world back by decades on medical use of psychoactive substances. Now, you have the Imperial College, London, the Johns Hopkins University, the University of California, Berkeley, the Icahn School of Medicine at Mount Sinai—all medical research bellwethers—studying the benefits of these substances in post-traumatic stress disorder, depression, etc. Indeed, they are being tested for use in fighting alcohol addiction. Decriminalisation of certain psychoactive substances, for therapeutic use and, in some cases, for limited recreational use, has helped lessen the taboo. And, if ongoing trials establish clinical benefits, many of these substances could be viewed more positively than before.

DIGITAL DAMAGE

THE PROBLEM, OF COURSE, LIES IN INTERNET GOVERNANCE—NAMELY, THE ABSENCE OF RULES. THE VIRTUES OF CYBER-LIBERTARIANISM HAVE BECOME INSEPARABLE FROM ITS VICES

The internet versus democracy

STEPHEN S ROACH
Faculty member at Yale University, former chairman of Morgan Stanley Asia, and author of *Unbalanced: The Codependency of America and China*

PLENTY HAS BEEN said, and rightfully so, about the violent insurrection at the US Capitol on January 6. Politicians are grappling with issues of legal and moral accountability. But the horrific events also touch on a critical contradiction of modern societies: the internet's role as an instrument of democracy's destruction.

It was not supposed to be this way. The internet's open architecture has long been extolled by cyber-libertarian futurists as a powerful new democratising force. Information is free and available instantaneously—and anyone can now vote with a mere click.

The rapid expansion of the public square is offered as exhibit A. Internet penetration went from 1% to 87% of the US population from 1990 to 2018, far outstripping the surge in the world as a whole from zero to 51% over the same period.

The United States, the world's oldest democracy, led the charge in embracing new technologies of empowerment.

The problem, of course, lies in internet governance—namely, the absence of rules. Even as we extol the virtues of the digital world, to say nothing of the acceleration of digitisation during the Covid-19 pandemic, the dark side has become impossible to ignore.

The Western model of open-ended connectivity has given rise to platforms for trade in illicit drugs, pornography, and paedophilia. It has also fueled political extremism, social polarisation, and now attempted insurrection. The virtues of cyber-libertarianism have become inseparable from its vices.

The Chinese model provides a stark contrast. Its censorship-intensive approach to internet governance is anathema to free societies. The state (or the Communist Party) not only restricts public discourse but favours surveillance over privacy. For China, governance is all about social, economic, and, ultimately, political stability. As a self-proclaimed bastion of democracy, America obviously doesn't see it that way. Censorship of any sort is viewed with abject scorn.

Yet scorn is a good way—to put it mildly—to describe most Americans' reaction to the deadly assault on the US Capitol. Internet-enabled social and political mobilisation—first evident in Iran's 2009 Green Movement and then in the Arab Spring of 2011—has now struck at the heart of America.

Obviously, there is a major difference: Protesting citizens in authoritarian Iran and Arab countries were on the outside looking in, yearning for democracy. In the US, the attack on the citadel of democracy came from within, sparked by the president himself. This raises important questions about America's own stability imperatives—and the failures of internet governance in revealing them.

The business models of Amazon, Facebook, etc, use technology to gather and monetise personal data. This blurs the distinction between cyber-libertarianism and Chinese-style surveillance

US digital platforms—from Twitter and Facebook to Apple and Google—have taken matters into their own hands. Breaching a once sacrosanct line, they have closed down the insurrectionist-in-chief, Donald Trump. Yet this one-off reaction is hardly a substitute for governance. Understandably, there are great misgivings about entrusting corporate leaders with the fundamental task of protecting democracy.

But that is not the only line that has been crossed in the US. As Shoshanna Zuboff shows in *The Age of Surveillance Capitalism*, the business models of Google, Amazon, and Facebook are based on the use of digital technology to gather and monetise personal data.

This blurs the distinction between cyber-libertarianism and Chinese-style surveillance, and it highlights the essence of the privacy issue—proprietary ownership of personal data.

The Covid-19 crisis offers yet another perspective on surveillance and privacy. Here, too, China and the US bookend the debate. China's response to the first sign of outbreaks—including the current one in Hebei province—stresses aggressive lockdowns, mandatory testing and masking, and QR-code app-based contact tracing. In the US, these are all matters of contentious political debate, viewed by many as unacceptable transgressions in a free and open society.

At one level, China's results speak for themselves. There have been only minor outbreaks following the initial surge in Wuhan. Unfortunately, America's second wave—far worse than the initial carnage in the spring of 2020—also speaks for itself.

Yet, as a recent Pew Research survey indicates, fully 40-50% of the American public still resist the discipline of science-based practices such as mobile contact tracing and engagement with public health officials.

Couple that with significant opposition to vaccines and there is reason to believe that core tenets of democratic freedom are being twisted into an excuse to ignore the perils of the Covid-19 pandemic.

Whether or not we want to admit it, the aspirations and values of the so-called originalist interpretation of American democracy are being challenged as never before. The insurrection of January 6 and the pandemic share one critical implication: the potential breakdown of order in a free society. It's not that China has it right. It's that we may have it wrong. Unfortunately, today's hyper-polarisation makes it exceedingly difficult to find a middle ground.

Barack Obama cautioned in his final speech as president that, "Our democracy is threatened whenever we take it for granted." Yet isn't that exactly what America has been doing? In a decade punctuated by the global financial crisis, the Covid-19 crisis, a racial-justice crisis, an inequality crisis, and now a political crisis, we have only paid lip service to lofty democratic ideals.

Sadly, this complacency has come at a time of growing fragility for the American experiment. Internet-enabled connectivity is dangerously amplifying an increasingly polarised national discourse in an era of mounting social and political instability. The resulting vulnerability was brought into painfully sharp focus on January 6. The stewardship of democracy is at grave risk.

Health needs evidence-based budgeting

For evidence-based health budgeting, the central and state/UT govts will have to allocate significantly more resources towards research and surveillance than they do at the moment

ALI MEHDI
Leads the Health Policy Initiative (HPI), ICRIER, and Health as Flourishing Initiative (HFI), Inclusive Development Foundation (IDF)

THE UNION BUDGET will be presented today and there are widespread expectations that in the wake of the Covid-19 pandemic, health would be a top priority. India's government health expenditure (GHE) has been historically low and lamented, standing at 0.96% in 2018, ranking India 165th out of 187 countries (The World Bank).

Health is a state subject, and one could argue that expecting too much from a 'Union' budget isn't really appropriate. During 1990-91, GHE was largely state/Union Territory-led. Union GHE was merely 0.09% of GDP, that of the states/UTs was 0.94%. However, by 2004-05, the former rose to 0.29%, even as the latter got reduced to 0.69%. With introduction of the Union-led National Rural Health Mission (NRHM) in 2005—one of the aims of which was to reduce inter-state and inter-district disparities, with a special focus on 18 states—central contribution to GHE increased further.

In recent years, although the central share is said to be on the wane, it has remained around a third of GHE, while states/ Union Territories have taken care of remaining two-thirds. Given the international nature of the Covid-19 pandemic, the Centre, once again, has had to play a leading role. One could, therefore, argue that, at least, as far as international health threats and inter-state health disparities are concerned, the Centre should continue to play a leading role, including vis-à-vis financing.

In addition to incentivising states to fulfil their constitutional responsibility—and disincentivising its negligence—the Centre can, very importantly, lead them towards evidence-based health financing through its own budget. In my opinion, lack of evidence-based health financing and policymaking has been much more injurious to health in India than low budgetary allocations/expenditures. The accompanying graphic shows that five countries—two in our immediate neighbourhood—managed to achieve a better life expectancy than India despite a lower GDP and GHE per capita. More money does not always mean better health—the role of various determinants of health should be analysed and addressed. This also means that, in the spirit of the social determinants of health (SDH), we need to look beyond allocations/expenditures of the ministry of health & family welfare—that of other ministries with a potential impact (negative/positive) on health also needs to be taken into account. For evidence-based health budgeting and policymaking, the central and state/Union Territory governments will have to allocate significantly more resources towards research and surveillance than they do at the moment. During 2019-20, 0.1-0.2% of the resource envelop of the National Health Mission (NHM) was allocated to 'Review, Research, Surveillance and Surveys' (RRSS) in most states. What sort of evidence-based policymaking can one expect with such levels of allocation?

The outcome is a highly skewed health budget. For instance, between 2005-06 and 2015-16, 63.1% of NHM expenditure at the national level was under its reproductive and child health component, while 6.7% of deaths in the country were due to maternal and neonatal disorders during this period; 4.5% of the expenditure was for its communicable disease control programmes, while 26.8% of deaths were due to communicable diseases; and a paltry 1.4% of the expenditure was under non-communicable disease programmes, while non-communicable diseases were responsible for 55.6% of deaths in the country during this period.

Yet, despite all the focus and allocations for RCH, India continues to be the world's leading contributor to child deaths since 1953 (the first year for which internationally comparable estimates are available), managing to become world's second largest contributor to maternal deaths in 2008. Clearly, there is enough room for evidence-based financing, planning and implementation in India's public health sector.

I hope the central government uses the time until its next budget to introduce mechanisms towards this end. This will not only help prevent avoidable mortality and morbidity, but rationalise resources that have become scarcer due to Covid-19.

Country	Life expectancy at birth (years)	Domestic general govt health expenditure as % of GDP	DGGHE per capita (PPP, current international $)	GDP per capita (PPP, current international $)
India	69.4	0.96	74	6,655
Bangladesh	72.3	0.40	19	4,550
Tajikistan	70.9	1.96	68	3,314
Nepal	70.5	1.46	45	3,332
Vanuatu	70.3	2.14	69	3,205
Cambodia	69.6	1.28	56	4,261

LETTERS TO THE EDITOR

Sasikala's rekindled popularity

The imminent arrival of VK Sasikala on the political scene in Tamil Nadu and the formal announcement of AIADMK-BJP alliance assume added political significance. It is true that the present top leadership of AIADMK gives Sasikala the short shrift and even shuns her. But the party's rank-and-file members appear to view her as the true inheritor of J Jayalalithaa's legacy and crave for her leadership. Jayalalithaa and Sasikala formed a pair and their lives were inseparably linked. Bera in mind, Sasikala called the shots in the party and commanded awe without overshadowing her supreme leader. The clamour for Jayalalithaa's Thozhi (companion and soul mate) could grow louder. The posters wanting her to take over the party's reins are a foretaste of what is to come.

— G David Milton, Maruthancode

Budget & tax

The general taxpayers expect a lot from the upcoming budget. The middle-class wants that the government should increase the exemption on standard deductions, the limit on insurance investments. By increasing exemption in insurance investment, the people will be more attracted towards various insurance policies. Also, those who fall under the slab of 20-30% income tax rate are bound to avail of the exemption of income tax up to a limit. Given the middle-class earns and pays income tax with honesty, there should be some reward. Hence, income tax exemption should be increased for the assured taxpayer. Also, the BPL category is a solid vote-bank for welfare measures; hence, legislation for their economic growth is awaited.

— Yugal K Sharma, Faridabad

●Write to us at feletters@expressindia.com

Regd. No: DL-21048/03-05. R.N.I. No.26750/74. Printed and Published by R.C. Malhotra on behalf of The Indian Express (P) Limited and printed at The Indian Express (P) Limited Press, A-8, Sector-7, Noida - 201301 and published at The Indian Express (P) Limited, Mezzanine Floor, Express Building, 9 & 10, Bahadur Shah Zafar Marg, New Delhi-110002. Phone: 0120-6651500, Fax: 0120-4367933. (Cover price: Patna: Mon-Fri ₹6, Sat ₹9, Sun ₹11; Raipur: Mon-Fri ₹7, Sat ₹10, Sun ₹10)
Chairman of the Board: Viveck Goenka, Managing Editor: Sunil Jain, Deputy Managing Editor : Shobhana Subramanian* (*Responsible for selection of News under the PRB Act)

ILLUSTRATION: ROHNIT PHORE

MADAN SABNAVIS

Chief economist, CARE Ratings, and the author of '*Hits & Misses: The Indian Banking Story*'. Views are personal

Draft NBFC norms: How to ensure compliance

It is hard to have a fool-proof system that cannot be dodged by determined participants. This has happened in banking as well as NBFCs, and having stringent regulation is only one part of the story. The test starts in monitoring them and ensuring that there are few failures

THE RESERVE BANK of India's proposed framework for NBFCs, which has taken a scale-based approach, is quite timely given that there have been several irregularities in this sector in the last two years. NBFCs have been classified as being systemically important, but the regulator now believes that there needs to be a change in approach to regulation that is more manageable.

The *raison d'etre* for having such regulation is that being financial intermediaries they pose a risk to the rest of the financial system and hence merit attention. True, these NBFCs do not raise deposits and hence are not like banks. However, they do raise bonds and any failure in that market has repercussions for the banking system as they are a large borrower from both the credit and debt markets. Every year nearly 70% of the bonds issued in the debt market are by the financial services segment. Further, around 8-9% of the outstanding bank credit is to this sector. The systemic risk in terms of repercussions is sharp in case of failure.

A pertinent question here is that if RBI is concerned about this segment, which can have a default in the bond market, would the same principle hold for non-financial borrowers? Probably not, as they are not in the financial sector, and hence fall outside the ambit of the central bank's regulation. For NBFCs it affects banks as well and hence they require such close monitoring.

Scale-based regulation makes a lot of sense given that there are over 9,000 such entities; and intuitively the larger the size the greater should be the oversight and regulation. NBFCs have a loan book of around ₹25 lakh crore, which is a quarter that of the banking system. Further, the group is heterogeneous ranging from MFIs to infrastructure finance companies. Evidently, their sizes are different and hence require differential treatment. Also, monitoring all of them closely is onerous and the 80-20 principle can be used to define the perimeter of regulatory watch.

The criteria laid down for these NBFCs would be threefold: base layer, middle layer and upper layer, with the level of regulation increasing as one moved up the line. Such stratification makes sense as it would also not impose a burden on the regulatory bandwidth of the central bank. The classification of companies into these sub-groups would be driven by size, interconnectedness, complexity of operations, nature and type of liabilities, group structure and segment penetration. This is fairly comprehensive, as also are the norms that have been laid down.

> **Appointment of a Chief Compliance Officer is a good idea, but making sure that all the rules are complied with is a challenge, especially if the CCO is an internally appointed person**

The regulatory changes proposed have been clubbed under capital regulation, concentration norms, governance and disclosures. As the norms are read for the upper layer firms (NBFC-UL), they closely resemble those that are applicable to banks. The compensation norms for management could be tricky for these institutions as they would mirror those of private sector banks which will hence override their discretionary power of paying their senior personnel. The clause of eventual listing is something that some of them will have to reconsider. NBFCs at the higher end will find regulation tighter and have to adapt, while those that were not following the rules especially under governance would have to work hard to comply with the new framework.

The problem however in India, when it comes to irregularities in the financial sector, is not so much the absence of regulation but the adherence to the same, which is the Achilles' heel. First is the issue of deviations that are purported by the promoters or management (even in professionally-driven banks). It has been noticed that in all cases of failure in the financial sector, the issue was not the absence of regulation but the compliance part. Second, even at the regulatory level, it is hard to do a forensic audit all the time, and until the bubble bursts it is difficult to identify such irregularities.

For example, the issue of interconnected lending is a tough nut to crack. A financial institution keeps lending to companies A, B, C, D, etc, which all look different and are run by different people and seem diversified. It is only after failure that it is realised all these parties have interconnected investments and are all owned by X. This information never stands out when any due diligence is done, and it is only after probing deeper that these facts are known, leading to a lot of umbrage being expressed.

The fascinating part of the corporate structure is that they are known to host several subsidiary companies whose names feature in the Annual Report, but one can never figure out what activities are carried out. Such opacity is responsible for heavy camouflage which helps in tax avoidance, credit procurement, channelling of funds and building oligopolies. This is a problem all across the world.

Can the new regulation stop such practices? Appointment of a Chief Compliance Officer (CCO) is a good idea, but making sure that all the rules are complied with is a challenge, especially if the CCO is an internally appointed person. It has been observed that even the best professionally-managed FIs have managed to dodge several regulatory requirements. In fact, the more hurdles put by the regulator in the form of regulatory requirements, the greater are the chances of companies circumventing the same. And these things never come out when the CCO reports to the CEO who could be driving these deviances. An appointment by RBI makes more sense to ensure that compliance is carried out in true spirit and where the authority has the right to demand and get information from the management. For this, the CCO should not be appraised by the internal management, or else there will be incentive to be compliant to the CEO rather than the regulator. This has to be a 24x7 job and very different from the annual audit and inspection done by RBI for probably just a week or two in the current structure.

How would NBFCs react to this new framework? Obviously, no entity likes more regulation, and the traditional mode of operation will have to be altered to be in consonance with the guidelines. There could be some incentive not to be in the upper layer but remain in the middle layer to have fewer or less stringent compliances. This cannot be ruled out. Others may work on these tighter stipulations to ensure that they get closer to qualifying for getting a banking licence.

Now, taking this scale-based regulation further, RBI can use the compliance of this structure route to award licences on an automatic basis to NBFCs that are desirous of converting to banks. A thumb rule that a track record of three years with minimal negative points for deviation from these rules will qualify the institution can be a positive incentive provided.

The issues raised by this framework should be read with the proposed guidelines of RBI for issuing licensing in banking to corporates. There was apprehension expressed in allowing corporates to enter the fray for the same issues that have been addressed by RBI here. The crux is on ensuring compliance. The regulatory framework provided by RBI is strong and in line with the global best practices. The challenge for regulators across all markets is to ensure that the participants do not game the system. This is why regulation should not be static and has to be altered regularly to close the gaps.

It is hard to have a fool-proof system that cannot be dodged by determined participants. This has happened in banking as well as NBFCs, and having stringent regulation is only one part of the story. The test starts in monitoring them and ensuring there are few failures.

NON-PERSONAL DATA NORMS

Too much, too soon?

MAYANK MISHRA

The author is public policy manager at The Quantum Hub

WITH THE EXPONENTIAL rise in the use of data by businesses, several regulatory challenges have emerged. Issues pertaining to data sharing pose major challenges. In July 2020, the MeitY released a report on non-personal data (NPD) governance framework with an aim to promote data sharing by businesses for public welfare. It intends to regulate data sharing so that benefits accrue to India, its communities and businesses. While the purpose of data sharing for public welfare is commendable, the suggestions made to govern NPD were met with disapproval from many stakeholders. It was noted that the framework was wide-ranging in its recommendations which could be misused against larger data businesses.

Taking into account the feedback from the first report, the government released a second version in December 2020. But there are still issues that need serious attention.

Analysing the government's decision to intervene

Economic theory states that a government should only intervene in economy when there is market failure, i.e. when the forces of demand and supply do not lead to an efficient outcome. The market failure that the government envisages in the case of NPD is positive externalities associated with sharing of data. According to this rationale, the data collected by a firm can benefit firms and communities beyond the one that collected it. The committee has given many examples, such as road data collected by cab aggregators, which can be used by municipal bodies to improve road design, or cancer hospitals sharing their data for medical research. However, while there are benefits of sharing data with the community, there are also potential costs and risks.

Potential impact of the NPD framework on firms

Firms that invest in collecting data incur a significant cost in doing so. The cost is incurred in order to reap future revenue by providing innovative products and services, enhanced user experience or efficient operations of firms. The data collected, in effect, gives competitive advantage to a market player compared to its competitors. But if the NPD framework is implemented, a business can potentially lose its competitive advantage if its data could be accessed by its competitors through data trustees. This could disincentivise businesses to collect data in the future, thereby hampering the data economy. Unlike the popular adage 'data is the new oil', data doesn't exist naturally. Datasets are built over time through conscious efforts of companies collecting data. Therefore, by destroying the incentive to collect data, we risk defeating the whole purpose of this framework.

The rationale for government intervention seems unclear and needs further debate. Even if there are positive externalities to some data, there seem to be significant potential costs for the whole digital economy under the NPD framework. The government, therefore, needs to do a thorough cost-benefit analysis of the framework and implement it only where it establishes that benefits outweigh the costs.

Apart from distorting the market, the NPD framework could lead to negative externalities by compromising the privacy of individuals. While the framework specifies that only anonymised, non-personal data can be shared through data trustees, there still remains a possibility that data is de-anonymised by an entity, thus revealing personal information. Under this framework, once the datasets are amalgamated in HVDs with different data trustees, it'll be tough to track and control downstream usage of these datasets. Experts suggest that by triangulating different datasets, there is a high risk of identification of individuals and groups of individuals. Once a dataset is shared outside of the purpose for which it was originally collected, it is almost impossible for a regulator to control its end-usage. It can be argued that while Indian policymakers, on one side, are proposing purpose limitation and progressive rights for individuals under the PDP Bill, we are, in fact, risking diluting those protections through forced non-personal data sharing.

Owing to the myriads of issues with the NPD framework, the government should tread cautiously in regulating such a dynamic field. We risk stifling the digital economy by fighting too many battles together. Privacy and innovation should continue to be core goals for regulation of the digital economy, compulsory sharing of NPD is a potential affront to both.

PRIVACY PUZZLE

WhatsApp diktat and competition

India may become the next battleground against data monopoly of the Silicon Valley

MM SHARMA

The author is head, Competition Law, Vaish Associates Advocates. Views are personal

WHATSAPP'S NEW data policy announced globally on January 4, 2021, has faced strong opposition in India with the Centre sending detailed questionnaire. Consequently, WhatsApp has deferred implementation from February 8 to May 15. But in the absence of a data privacy law in India, can the government legally stop WhatsApp from implementing the said unilateral policy? Does it raise competition issues, and if yes, should the Competition Commission of India (CCI) step in to fill the legal vacuum to stop WhatsApp from implementing this policy in India? Let us examine.

Firstly, what are the main issues with the new policy? Unlike those in the EU with a strong General Data Protection Regulation (GDPR) regime, Indian users are not legally protected, and the new policy can take away their current choice now not to share their personal data with other Facebook-owned and third-party apps, which may have business implications for other third-party app developers. India's dearth of a data protection law means there is no relief that a user can get from courts in case of a breach or misuse of data by social media platforms. Does it mean Indian users do not have an effective mode of redressal of their grievances? Not really. The competition law may provide an answer, but this will require an out-of-the-box approach by the CCI.

Traditionally, privacy and data protection concerns are regarded as matters falling outside the scope of competition law since in matured jurisdictions these are protected under dedicated laws, such as the GDPR. But in the absence of such a law in India and with the highest number of monthly active users (MAUs) in the world (340 million in 2019), recourse to relevant provisions of the competition law is the only remedy to safeguard consumer interest. India may present a tough challenge for WhatsApp if the competition issues likely to arise as result of implementation of the said policy are inquired into in the right earnestness by the CCI. This relates to abuse of dominant position under the Competition Act, 2002.

It is heartening to note that the CCI has already started acknowledging these emerging issues. The CCI in its market study on telecom released on January 22 has rightly recognised that "data privacy can take the form of non-price competition and abuse of dominance can lower privacy protection ... and that an aspect of data in the context of competition in digital communications market is the conflict between allowing access and protecting consumer privacy."

The AI and ML capabilities of super-platforms like WhatsApp and Facebook have generated a debate globally on more effective use of competition law as the key tool for addressing super-platforms, its core tool being the provision of abuse of dominance against exclusionary conduct, enforcement of which concerns whether to order super-platforms to render their data accessible to their rivals. In this context, the 449-page report by the US House Judiciary Committee's Subcommittee on Antitrust, Commercial, and Administrative Law on October 6, 2020, on competition in digital markets, with a clear focus on the dominance of the GAFA (Google, Apple, Facebook and Amazon), needs to be noted by CCI. The Subcommittee concluded that the GAFA—branded as 'dominant platforms' by the report—possess monopoly power due to factors including their role as 'gatekeepers' of key distribution channels, which allows them to control access to digital markets. The investigation also found that the GAFA engaged in a series of anticompetitive conduct to maintain their market power, including 'self-preferencing' and the so-called 'killer acquisitions' of potential competitors.

WhatsApp has a large market share of over 70% in the broad market of 'social media platforms used in India' (after only YouTube and Facebook), and in the narrow market of 'message exchange apps on smartphones', it leads. Thus, the dominant position of WhatsApp is undoubted. To preserve fair competition in the relevant markets is a duty cast upon WhatsApp as per existing jurisprudence, and this includes providing a level-playing field to other platforms such as Telegram and Signal, etc. The proposed privacy policy may affect the market equilibrium considering the dominant position of WhatsApp.

The use of the platform involves constant trade-offs between the transfer of personal data and the provision of services. The use of the service is subject to the user agreeing to share his or her personal data with WhatsApp, and being the most popular app most users have no choice but to agree. The ostensibly 'free service' is paid for by a disproportionate extraction of personal data, which the consumer is hardly aware of (the so-called privacy myopia). Such an unregulated and unending extraction of personal data may offer a 'data advantage' to the dominant player against its potential competitors as it creates a barrier to their entry. In the long term, this reduces the contestability of the market and due to the market gets 'tipped off' in favour of the dominant player it may be eventually foreclosed. This, in view of experts, constitutes a peculiar form of non-price predatory behaviour, which, in terms of Indian competition law, may lead to a 'denial of market access' to other platforms besides and hence may constitute a violation of the relevant provision of the Competition Act, 2002. In the context of fairness and maintenance of effective competitive markets, such unregulated extraction of personal data from hapless and 'locked in' consumers leads to both exploitative and exclusionary effects.

But precedents exist. The German Federal Cartel Office held in 2018 (against Facebook) that if a dominant company makes the use of its service conditional upon the user granting the company extensive permission to use his or her personal data, this can be considered a case of 'exploitative business terms' and hence constitute abuse of dominant position. Japan has finalised guidelines, which state that any use of personal information, including users' purchase history and location, without their consent would constitute an 'abuse of a superior bargaining position', a violation specified under Japan's Antimonopoly Act. So India may become the next battleground against the data monopoly of the Silicon Valley.

Gadgets

MONDAY, FEBRUARY 1, 2021

MAKING PEOPLE DIGITAL-READY

Rajiv Sodhi, COO, Microsoft India

At Microsoft, we believe that enhancing people's capabilities is critical to building tech intensity — an essential factor in enabling the culture of innovation.

iPHONE 12 PRO

Works like a pro in all aspects

Apple's new flagship device stands out with its powerful performance and impressive features, be it design, display or camera tech

SUDHIR CHOWDHARY

WHY ARE iPHONES so popular? The search to find the right answer took me to a nearby Apple Store because I firmly believe that mobile stores (with a decent amount of footfall) are the ideal locations to discover which devices are in demand, what's trending in the market place, what do consumers really want, etc., direct from the customers. "iPhones are blazingly fast, there is no lag," said one die-hard Apple loyalist, visiting the store to enquire about Apple's latest mobile phone—iPhone 12 Pro, and more specifically, its ability to create Dolby Vision HDR video. "They're easy to use, have excellent camera," said another user, while a third quipped, "The hardware and software work in complete synergy."

Combine all these elements and the result is obvious—the iPhone has been a massively successful product for Apple since its release in 2007. Even the latest statistics from Counterpoint Research add credence to Apple's market dominance. The Cupertino, California-based firm captured the top spot in the global smartphone market; it shipped 81.9 million iPhone units in Q4, 2020, thanks to the iPhone 12 models, the first to feature 5G capability.

Apple has been kind enough to send across its latest device, the iPhone 12 Pro, for review. It is available in four stainless steel finishes—Graphite, Silver, Gold, and Pacific Blue, in 128GB, 256GB, and 512GB storage capacity models. Our trial unit was the Graphite, 512GB variant. In the box, you will get the iPhone 12 Pro and USB-C to Lightning Cable; power adapter and headphones are sold separately.

There are so many things to like about the iPhone 12 Pro, but in my opinion three things stand out in particular—design, display and camera technology. It is a strikingly beautiful smartphone that is sure to find a place in the hearts of many people here. It promises to give an entirely new experience in your hand. Apple has poured its heart into it, as evidenced by nearly every aspect of the device.

At first look, it becomes obvious that the phone has been designed with premium materials. There is a sophisticated flat-edge design that features a gorgeous surgical-grade stainless steel band paired with a precision-milled matte glass back. The Ceramic Shield front cover is infused with nano-ceramic crystals to dramatically improve toughness and enable it to withstand accidental falls. The phone has a nice grip to it. I have been working with it for about a fortnight now and here's what impressed me about the new Apple device.

The 6.1-inch iPhone 12 Pro features a Super Retina XDR display with systemwide colour management for great colour accuracy. The phone comes with IP68 rating to withstand water submersion upto 6 metres for up to 30 minutes, it is protected against everyday spills, including coffee and soda. The iPhone 12 Pro gives an overall impression of quality and refinement while simultaneously hinting at the power beneath the surface.

The Apple-designed A14 Bionic chip makes the iPhone 12 Pro one of the most powerful phones in the market. It is the first chip in the smartphone industry built on 5-nanometer process. Faster and more efficient than ever, A14 Bionic has the fastest CPU and GPU by upto 50% compared to the fastest competing smartphone chips, enabling console-quality gaming experiences, powerful computational photography, and more, while delivering great battery life. In real-time usage, the device is lightning-fast and its performance is superb when it comes to undertaking day-to-day tasks. For instance, the processor ensures faster download speeds, more responsive gaming experiences, FaceTime in HD is a visual treat, and more.

The iPhone 12 Pro has three camera sensors on the rear: there's a regular wide option, an ultra-wide sensor, and the telephoto 2x zoom for getting closer to your subjects. Technical-speak, the ultrawide camera has a 13mm focal length, an f/2.4 aperture, and a 120 degree field of view. The wide camera has a 26mm focal length and an f/1.6aprture. The telephoto camera has a 52mm focal length and an f/2.0 aperture. There's a fourth sensor too: LiDAR (Light Detection and Ranging) on the rear to judge distance. The three rear cameras along with the LiDAR sensor are simply great for low-light photography. For selfies, there's a camera with a 12 MP 1/3.6-inch sensor behind a 23 mm-equivalent f/2.2 lens.

My takeaway: The iPhone 12 Pro has a powerful blend of aesthetic looks, great features and performance.

SPECIFICATIONS

- Display: 6.1-inch Super Retina XDR OLED
- Processor: Apple A14 Bionic chip
- Operating system: iOS 14
- Memory & storage: 6GB RAM, 128/256/512GB storage
- Camera: Pro 12MP camera system: ultra-wide, wide and telephoto cameras
- Battery: 2815mAh; MagSafe wireless charging
- Weight: 187gm
- Estimated street price: ₹1,19,900 (128GB), ₹1,29,900 (256GB), ₹1,49,900 (512GB)

THE WAY WE WORK

Embedding innovation DNA for the digital era

Since innovation requires the right culture and environment to be seeded first before it can flourish and demonstrate results, HR function has a key role to play

Uma Ganesh

BUSINESS INNOVATION IS a priority for organisations adopting digital technologies. However since innovation requires the right culture and environment to be seeded first before it can flourish and demonstrate results, HR function has a key role to play.

In order for HR function to support and facilitate innovation become the DNA of the business, to begin with, it has to address this requirement at its own home turf first. Based on the technology and business trends, HR function has the opportunity to either support the business requirements or contribute towards redefining the business model on the strength of innovation it is able to bring about in its functioning.

If the stated business goal is to scale the business substantially, or enhance customer experience or reduce overall costs, HR function's innovation initiative would have to focus on areas such as recruiting at scale within the given timelines at optimal costs or hiring quality talent with niche skills or providing analytics of productivity of resources deployed to help businesses which have more than 50-60% costs on account of people cost. With the increasing access to digital technologies, proposals such as work from anywhere, introduction of robots as part of the workforce, supporting diversity as a practical consideration to tap the right talent and creating niche channels for talent resourcing are some examples that are being considered by organisations.

Creating the belief that more is possible with less calls for a mindset change, specially in large organisations. Innovation efforts could deliver significant yields when HR function pays attention on getting the most out of the already available assets— the people resources of the organisation. This would require detailed planning to identify the current skill sets for the roles being performed, outlining the emerging roles in every function, mapping of how current resources match upto the expectations of new roles as well as their own aspirations and thereafter, creating personalised career paths for each employee. There are opportunities for disruptive innovation too in HR functioning on the strength of digital tools. Rethinking annual appraisal system, doing away with the Bell curve for performance assessment, tying innovation initiative to performance appraisal, hierarchy based organisation structure are some of the areas that organisations have started to address. Innovation is a journey— an ongoing process —hence creating a permanent culture for nurturing innovation is the critical success factor that would eventually help the business to remain competitive.

The fine example of 3M in facilitating innovation and empowering individuals to take their ideas to business fruition has won many laurels but very few organisations have been able to consistently live this potential. Three things that HR leaders should do to make innovation the DNA of their organisation – demonstrate their commitment to innovation by working towards impactful outcomes within HR function, build an ecosystem to support innovation by being constantly on the look out for new digital tools and startups to work with, and facilitate businesses to make innovation an ongoing journey with milestones to be achieved along the way.

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

Tech Bytes

Making skilling easy & user-friendly

21CC EDUCATION, AN e-learning and skilling platform, has joined hands with National Skill Development Corporation (NSDC) to provide skill-based education for the logistics and transportation industry. The partnership intends to present an opportunity for thousands of users present on the NSDC's eSkillIndia portal and in its skilling ecosystem to not only upskill, but also help a largely unaddressed demographic in the Indian workforce build robust careers in the logistics, transportation and supply chain sectors. 21CC's unique application offers nearly 50 courses from a library of 110+ modules. The platform is designed to make skilling easy and user-friendly, keeping the user engaged through gamification and a distinctive fantasy map learning interface. These courses are available on NSDC's eskillindia.org portal. The offering will be vital for India to bridge the skill deficit in the logistics sector. As per a recent report from the World Economic Forum reveals that by 2022, at least half of the Indian workforce will require reskilling or upskilling in order to keep with the changing demands from the logistics sector.

University of California, HCL in pact for healthtech lab

HCL TECHNOLOGIES ANNOUNCED a collaboration with University of California, Berkeley to create a Health Technology Collaborative Laboratory (CoLab) housed in the Blum Center for Developing Economies on the university's campus in Berkeley, California. The CoLab is being launched in the backdrop of the Covid-19 pandemicwhich created an urgent need for timely access to therapeutics and diagnostics with telemedicine and telesurgery. As a founding member of the CoLab, HCL is contributing $750,000 over the course of three years. The CoLab's multidisciplinary teams will work on health technology innovations including rapid problem-solving, prototyping and testing of breakthrough healthcare technologies. Said GH Rao, president, Engineering and R&D Services, HCL Technologies, "As a founding member, HCL will have the opportunity to contribute to promising solutions and projects underway and looks forward to engaging the CoLab Ecosystem to develop new and unique health technology solutions for the future."

eFE

FUTURE OF WORK

Five ways the workplace will change in the future

SUDHIR CHOWDHARY

There's no doubt that Covid-19 has made us re-evaluate our lives, change our priorities and transform the way we live, work and play. "The pandemic has been a sharp reminder of the fragility of life and the importance of human connections, and we can expect to see a rebalance in work-life commitments and personal-professional priorities going forward," says **Ankur Goel**, *managing director for Poly India & SAARC. Poly (formerly Plantronics and Polycom) is an American communications equipment company. In a recent interaction, he lists the top five things to think about as we shape our workspaces over the next few years.*

Ankur Goel, managing director, Poly India & SAARC

Hybrid working model: 2020 saw more individuals and organisations come to the realisation that work can be done from anywhere, to a reasonable degree of efficiency. For 2021 and beyond, we expect to see organisations becoming more open to redefining what 'work' means. Work isn't a place, it's what you do, and many companies will shift to a hybrid working model. It's important to note that hybrid working is different to 'remote working' or 'work from anywhere'—a true hybrid work model means that for an employee, the work experience is the same no matter where they are, whether in the office, at home, or anywhere in between.

As we move to the hybrid working model, work is no longer defined by how many hours you've spent at the work desk, but instead focuses on the outcomes of your work. In order to take care of employees' mental health and wellbeing, organisations will need to find the right balance between time away from the office vs time connecting face to face.

Home offices and the rise of the prosumer: With more employees accustomed to working from home, home offices will be upgraded and renovated. This will make way for the rise of the prosumer—the professional consumer—who isn't shopping for the cheapest technology to get by during a temporary lockdown situation. Prosumers will transform their homes for the long haul, and spend on lightning speed internet, comfortable, noise blocking headsets, and crystal-clear audio and video conferencing solutions which allow them to join online meetings with the click of a button.

Video—a must have and the way forward: The rapid adoption of remote working meant that almost every organisation had to invest in video conferencing gear and solutions in one way or another. Video is now a common standard for meetings. When people were unable to leave their homes while shelter-in-place directives were in force, telemedicine providers found themselves ideally placed to meet the medical consultation needs of the many working from home.

The education industry has also been hugely impacted by the Covid-19 outbreak. Educators took to home-based learning initiatives, taking their classes to online learning platforms and through video conferencing solutions. Whether remote consultations with a doctor, video banking, or even online learning, it is clear that video has become mainstream, and in some cases, a critical part of business.

Complete transformation of commercial office space: With hybrid working splitting up office and home workers, we are going to see an interesting change with commercial office spaces. At the very least, lights will continue to remain on in the office. Offices will become a central gathering point for employees to meet, while majority of the work will continue to be done remotely. Employers will need to look beyond the traditional concept of the central office, and create work spaces that are collaborative and technology-enabled across multiple locations.

Better connectivity, better collaboration: 2021 will be the year that 5G finally comes into the mainstream, with Covid-19 making it clear that faster connectivity is imperative for work to continue, whether in the office, at home, or in between. The most important advantages of 5G are low latency, and much higher throughput. Latency is particularly important to video and voice applications; tethering your laptop to your mobile's 5G connection lets you connect from virtually anywhere a signal is available, and to more effectively collaborate with your team, remotely, as if you were there in person.

CYBER RISKS

Indians feel most secure while ordering food online

But least so when online dating, finds McAfee report

FE BUREAU

MCAFEE HAS ANNOUNCED findings from its 2021 Consumer Security Mindset Report revealing that while the shift to a digital-first life was brought on by the global pandemic, Indian consumers have shown an increased online footprint, with activities such as online banking (68%), financial planning (55%), and personal shopping (63%) at the top of the list. With the increase in activities online, consumers are potentially exposed to more cyber threats. Notably, three out of four people in India (74%) say they are concerned about today's cyber risks, yet one in five (20%) respondents admit that they are not confident in their ability to prevent a cyberattack.

As consumers continue to adapt to and embrace their new digital worlds, cybercriminals are taking note and looking to take advantage. The more time consumers spend online interacting with various applications and services, the greater their exposure is potential risks such as phishing attacks or fraud. McAfee found that over three quarters (78%) of Indian respondents admitted to being most concerned about their financial data, such as credit card or banking details, being stolen, while 74% were concerned that their personal information, such as birthday or address, could get hacked.

Furthermore, when asked about their perception of risk and security, more than half (58%) indicated that they feel secure while performing online activities. Yet, while people feel most secure ordering food online (63%), their perception is the opposite when it comes to online dating, where close to half (42%) feel less secure.

"The first step in protecting ourselves is realising that there's a lot we can do to stay safe online and to preserve our digital wellness," said Terry Hicks, EVP of McAfee's Consumer Business. "It's better to prevent a problem than be in a position of having to fix it. We can always work on our own safe online habits—from the apps we install, to the websites we click on, to the emails we open. Making this shift in our mindset and behaviours is a necessity in protecting what we value most—our privacy and identity- giving us all much needed peace of mind."

KEY FINDINGS

- Online alternatives continue to replace activities in people's lives and routines that were once in-person
- Three quarters (75%) purchased or adopted security solutions in 2020; 58% indicated that they feel secure while conducting online activities
- More than 9 in 10 (94%) Indians would be proactive about protecting their data if it could be traded like currency

Investor

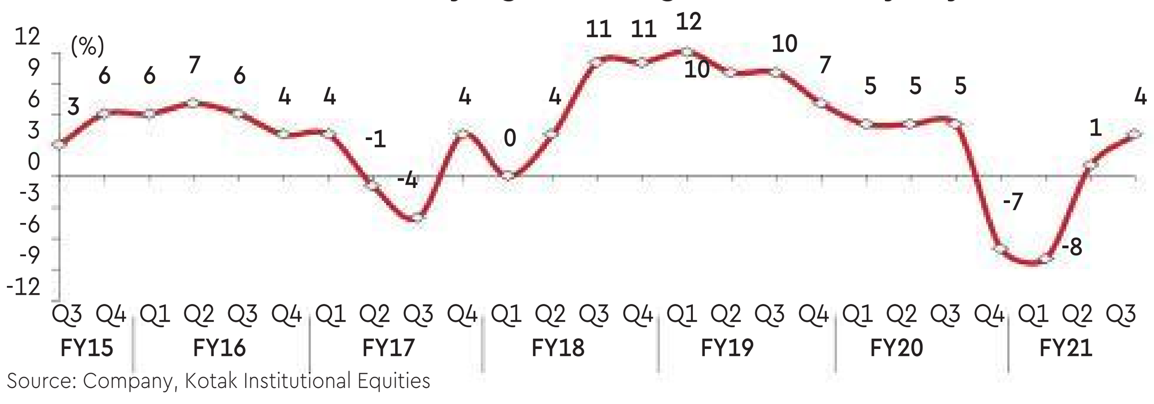
MONDAY, FEBRUARY 1, 2021

EXPERT VIEW

HUVR has stepped up focus on volume growth and it would continue investments in business notwithstanding margin pressure; we expect this strategy to pay off well

—Kotak Institutional Equities

Hindustan Unilever – underlying volume growth of 4% y-o-y



Source: Company, Kotak Institutional Equities

● **HINDUSTAN UNILEVER** RATING: **ADD**

Focus on volumes showed in results

Investing in business despite margin pressure likely to pay off; estimates tweaked; 'Add' retained with TP of ₹2,625

HUVR REPORTED 4% growth in underlying volume, 7% growth in revenues and broadly flat Ebitda (all organic). Revenues were on expected lines whereas profitability was a tad weaker due to higher-than-estimated A&P. HUVR has stepped up focus on volume growth and it would continue investments in business notwithstanding margin pressure; we expect this strategy to pay off well. We tweak estimates and retain **Add** with unchanged FV of ₹2,625.

Revenues on expected lines, margin miss owing to higher A&P spends: Revenues grew 21% y-o-y (organic 7%) led by underlying volume growth of 4% (organic), Ebitda grew 17% y-o-y (flattish on organic-basis), recurring PAT grew 15% y-o-y and EPS grew 7%.

GM declined 25 bps y-o-y to 54% on reported basis and was down about 220 bps y-o-y on organic basis owing to steep 40-50%+ inflation in tea and palm oil that was partly offset by price increases. Reported Ebitda margin was down 90 bps y-o-y (down about 160 bps on organic LFL basis) to 24.1% largely due to GM decline. Ebitda margin was 90 bps below our estimate due to higher-than-estimated A&P spends (up 19%/6% y-o-y on reported/LFL basis). PBT growth was impacted by lower-than-estimated other income (₹970 mn, down 31%/36% y-o-y/q-o-q) and higher depreciation (₹2.72 bn, up 17%/9% y-o-y/q-o-q).

Segmental performance—decent print except for some weakness in fabric wash: (i) Home care revenues declined 2% y-o-y as continued weakness in fabric wash more than offset upside in household care (double-digit growth) ; (ii) BPC revenues were up 9% y-o-y led by strong double-digit growth in skin cleansing, hair care and oral care; (iii) F&R segment grew 19% y-o-y on organic basis led by double-digit growth in tea (partly price-led), foods, soups and ketchup. Health, hygiene and nutrition portfolio (80% of sales) grew 10% y-o-y; (iv) discretionary products declined 1% y-o-y; and (v) out of home portfolio declined 15% y-o-y.

Prioritises volume growth/recovery, margin expansion takes backseat: We note that in 9MFY21, HUVR has absorbed some RM inflation in tea and soaps and stepped up investments in A&P for market development/share gains in hygiene, personal care and nutrition categories. Mgmt indicated that (i) its primary focus in the short term (1-2 quarters) is volume recovery/growth and investments (especially A&P) in business would remain high; and (ii) it is confident of delivering modest margin expansion every year in the medium term.

KOTAK INSTITUTIONAL EQUITIES

● **AXIS BANK**
RATING: **BUY**

Earnings were weak in the third quarter

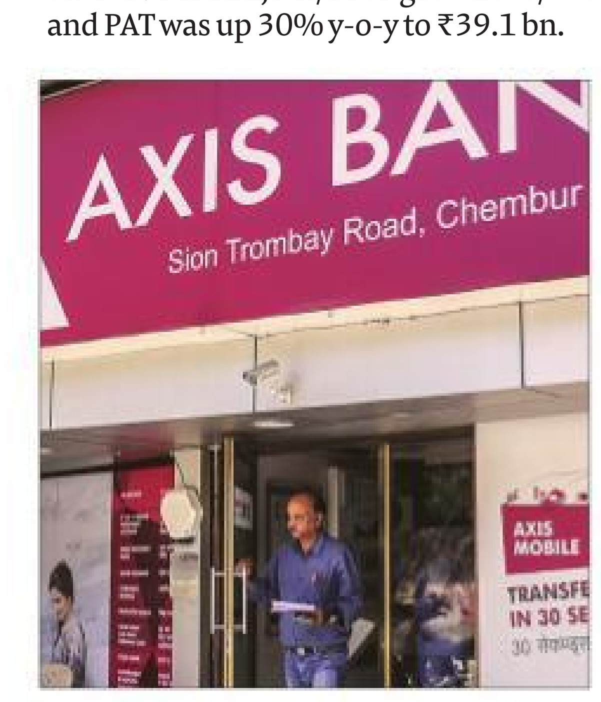
Prudential provisioning to aid earnings; FY22/23e EPS up 21/10%; maintain 'Buy' with target price of ₹750

AXIS BANK (AXSB) reported weak earnings, with PAT impacted by lower income and higher opex, while provisions remained elevated. NII income was impacted due to the reversal of proforma slippages. On the business front, retail disbursements were strong q-o-q, while disbursements under the ECLGS scheme supported growth in the SME book.

AXSB holds cumulative additional provisions of ₹119 bn (~2% of loans). Overall, the bank has approved total restructuring of ~0.42% of loans and does not intend to provide any fresh approvals. The total funded and non-funded BB & below pool stood at ~2.4% of loans. We increase our FY22/FY23e earnings by 21%/10% and estimate AXSB to deliver RoA/RoE of 1.6%/15.4% in FY23. Maintain **Buy.**

Asset quality outlook improving; prudential provisioning to aid earnings

Q3FY21 PAT stood at ₹11.2 bn (-36% y-o-y), impacted by low other income and high opex. NII grew 14% y-o-y (flat q-o-q), affected by interest reversals of ₹6.14 bn on proforma slippages. NIM, thus, stood flat at 3.59% (3.89% ex. interest reversal). Other income stood flat, with fee income growing 6% q-o-q to ₹29.1 bn, impacted by the reversal of ₹1.34 bn and lower treasury gains. Opex grew 19% q-o-q on an increase in staff cost and collection expenses. PPoP grew 6% y-o-y to ~₹60.1 bn. For 9MFY21, NII/PPoP grew 18%/7% and PAT was up 30% y-o-y to ₹39.1 bn.



Provisions stood elevated at ₹46 bn (+33% y-o-y) as the bank made provisions on proforma slippages. The loan book grew 6% y-o-y (1% q-o-q), with retail loans up 4% q-o-q, while the corporate book degrew 4% q-o-q. The SME portfolio grew 6% q-o-q, led by disbursements under the ECLG scheme. Deposits grew ~11% y-o-y, driven by 16% y-o-y growth in CASA deposits; thus, the CASA ratio stood at 43%.

Reported slippages were negligible due to the SC order; however, proforma slippages stood at ₹67.4 bn. Asset quality improved, with GNPL/NNPL declining 18%/25% q-o-q. Therefore, the GNPL/NNPL ratio improved 74bp/24bp q-o-q to ~3.4%/~0.7%. PCR improved ~180bp q-o-q to 79%. However, the proforma GNPA/NNPA ratio would have come in at 4.55%/1.19% with PCR of 75%.

Valuation and view

AXSB has delivered a resilient performance amid a challenging macro environment and appears well-positioned to report strong earnings traction – as fresh slippages subside, while improved underwriting and an increasing retail mix help maintain strong control on credit cost. On the business front, retail disbursements have showed strong q-o-q growth and surpassed pre-COVID levels. The bank has adopted conservative accounting policies and further strengthened the balance sheet by making additional provisions. AXSB has guided for moderation in Q4 slippages. Nonetheless, credit cost would remain elevated as the bank remains cautious on the overall impact. We estimate AXSB to deliver RoA/RoE of 1.6%/15.4% in FY23. Maintain **Buy**, with TP of ₹750 (1.8x Sep'22e ABV).

MOTILAL OSWAL

Financials & valuations (₹ billion)

Y/E March	FY20	FY21E	FY22E	FY23E
NII	252.1	301.1	348.7	423.0
OP	234.4	263.6	303.7	370.5
NP	16.3	68.5	131.6	188.1
NIM (%)	3.2	3.5	3.7	3.9
EPS (₹)	6.0	23.3	43.0	61.5
EPS Gr. (%)	-66.9	285.9	84.8	42.9
BV/Sh. (₹)	301.1	330.5	370.1	426.9
ABV/Sh. (₹)	269.7	306.3	343.6	398.4
Ratios				
RoE (%)	2.1	7.4	12.3	15.4
RoA (%)	0.2	0.7	1.3	1.6
Valuations				
P/E (X)	93.0	24.1	13.0	9.1
P/BV (X)	1.9	1.7	1.5	1.3
P/ABV (X)	2.1	1.8	1.6	1.4

Source: Company data, Motilal Oswal estimates

● **BANK OF BARODA**
RATING: **BUY**

Performance is on improving trajectory

Sustenance is key; 3/5/7% rise in FY21/22/23e BV; TP raised to ₹88; 'Buy' retained

BANK OF BARODA (BoB) reported Q3FY21 PAT of ₹10.6 bn, missing our estimate due to higher provisioning. While business momentum was on improving trajectory, asset performance remains unpredictable. We expect higher slippages/credit cost in Q4FY21/H1FY22 with the performance of restructured MSME pool remaining critical.

Recovery seems to be tracking our bull case scenario; juxtaposing this with deferred recognition, we revise up FY21/FY22/FY23e book value 3%/5%/7%. We maintain our target multiple at 0.5x, which coupled with rollover to June 2022e, yields revised TP of ₹88 (earlier ₹75). Maintain **Buy.** Asset quality outlook remains key risk to watch out for.

Lumpy slippages continue: As domestic slippage recognition was on a standstill during the quarter, all slippages (at ₹39.9 bn) were from the international book. Proforma slippages jumped to ₹86.3 bn. Collection efficiency has been improving and came in at 93% for the overall book. Repayments trajectory will remain critical.

Earnings steady; sustenance vital: BoB reported steady build-up in advances due to pick up in gold loans, MSME loans and auto loans. This, coupled with steady NIM, led to 13% y-o-y growth in operating profit. Armed with a strong franchise and slackened competition, the bank aspires for an ambitious build-out. However, we need more evidence of sustained execution and successful integration, before conviction truly sets in.

Outlook: Valuation comfort—Demonstration of the merger value add and, indeed, getting through the current crisis without deep earnings erosion are key. Valuation at 0.4x FY22e P/BV lends some comfort. Hence, we maintain 'BUY/SN'.

EDELWEISS

Financials (₹ million)

Year to Mar	FY20A	FY21E	FY22E	FY23E
Revenue	2,74,503	2,96,485	3,26,113	3,56,514
PPoP	1,96,901	2,11,508	2,47,705	2,67,715
Adjusted profit	5,448	32,239	80,289	94,919
Diluted EPS (₹)	1.2	7.0	17.4	20.5
EPS growth (%)	nm	491.7	149.0	18.2
RoAE (%)	0.8	4.5	10.4	11.1
P/E (x)	61.8	10.5	4.2	3.6
P/ABV (x)	0.7	0.6	0.5	0.5
Dividend yld (%)	0	0	0	2.7

Source: Company data, Edelweiss research

Personal Finance

● **BUDGET 2021**

Individual taxpayers look for tax relief

An increase in standard deduction for the salaried, higher deduction for health insurance premium and tax-free annuity are among the top reliefs sought

SAIKAT NEOGI

ILLUSTRATION: SHYAM KUMAR PRASAD

AS FINANCE MINISTER Nirmala Sitharaman presents the Union Budget for 2021-22 today, individuals would expect some relief such as an increase in standard deduction, higher deduction for health insurance premium, home loan payments and tax rebates on spending to boost consumption. With the Covid-19 pandemic affecting incomes of many, some relief through changes in income tax slabs will not only help cushion impact of income loss but also encourage them to spend.

Standard deduction

In the Budget of 2018-19, the government re-introduced standard deduction of ₹40,000 for salaried employees in lieu of transport allowance and medical reimbursement. It is deducted from the gross salary and claimed as an exemption. In the Interim Budget of 2019, it was increased to ₹50,000. Even one receiving pension which is taxable under the head 'Salaries' can claim standard deduction. Experts suggest that the government should look at a one-time hike in standard deduction to give relief to taxpayers affected by the pandemic and income loss.

Neha Malhotra, director, Nangia Andersen LLP, says the Budget should substantially increase the standard deduction from salary income. "The standard deduction which allows for a predetermined amount to be subtracted from an individual's salary income before taxable income is calculated must be increased from the present limit of ₹50,000 to counter higher inflation and maintain purchasing power of the salaried class," she says.

Health insurance

The Covid-19 pandemic has underlined the fact that health insurance is now a necessity. To encourage individuals to buy a comprehensive health cover, the government should increase tax deduction under Section 80D from the current limit of ₹25,000 for self, spouse and children. Krishnan Ramachandran, managing director & chief executive officer, Max Bupa Health Insurance, says enhancement in tax concessions has been helpful in many parts of the world to increase health insurance uptake.

"Individuals currently can claim a deduction of up to ₹25,000 when they purchase health insurance for their parents who are below 60 years of age and ₹50,000 if the parents are over 60. The government can consider allowing a deduction of ₹50,000 for parents below 60 and ₹1 lakh for parents above 60. This will encourage people to opt for health insurance for their elderly parents," he says.

Annuity income

At a time when interest rates are at a multi-year low and inflation is rising, risk-averse investors are getting negative real returns. This has aggravated the financial problems of senior citizens who are dependent on income from their investments. The government should ideally give some tax benefits on annuity income.

Rajiv Bajaj, chairman and managing director, Bajaj Capital suggests making a pension tax-free in the hands of senior citizens in the year of receipt. "All through the earning period spanning over two-three decades, they have paid tax on their income, and so it is fair that their annuity income gets relief from taxation during the retired years. The government may also introduce a new tax-free pension scheme for senior citizens. That will help retired people enjoy the annuity stream without worrying about the taxation. The government may also provide a cut-off limit up to which the pension received from existing schemes could be tax-exempt," he says.

Annuity or regular pension is received from schemes such as NPS, Pradhan Mantri Vaya Vandana Yojana, National Pension Scheme and even pension received after superannuation. At present, the amount of pension received is added to one's income and is taxed as per the taxpayer's income tax slab.

Tax exemption in new tax regime

The government introduced a new tax regime in last year's budget under Section 115BAC of the Income Tax Act. The new tax regime is for individuals and HUFs with lower tax rates and no deductions or exemptions. Experts suggest that tax deduction for life and health insurance premium, provident funds, superannuation funds should be extended to the new tax regime, too. Prashant Tripathy, MD & CEO, Max Life Insurance, says till such time there is a certain level of financial awareness amongst all strata of the population, it is important to retain tax incentive on life insurance products. "The income tax benefit of life insurance has traditionally played a big role in increasing the coverage of life insurance plans," he says.

Know tax sops on health insurance, medical costs

Adequate health insurance plan will not only secure you and your family during unforeseen circumstances, but can also help save tax

● **YOUR MONEY**

PANKAJ VERMA

IT IS ALWAYS this time of the year, i.e., the last quarter of the financial year when many individuals are looking for sound advice on financial planning. One significant option that most financial advisors will definitely suggest is health insurance. An adequate health insurance plan will not only secure you and your family during unforeseen circumstances, but it is also the wisest way to save tax.

Deduction under Section 80D

You can claim a deduction of up to ₹25,000 per budgetary year for medical insurance premium installments. The premium should be for you, your spouse, and dependent children. On the other hand, if there is a chance that either you or your spouse is a senior citizen (60 years or above) the limit goes up to ₹50,000.

Medical insurance premium paid for guardians additionally qualifies for deduction up to ₹25,000 every year. If your father or mother or either of them is a senior citizen, the maximum limit goes up to ₹30,000 a year.

You get deduction on preventive health checkups annually. You can avail up to ₹5,000 for the cost incurred for preventive health checkups.

ILLUSTRATION: SHYAM KUMAR PRASAD

Super senior citizens

If your father is a super senior citizen and mother is a senior citizen with no insurance, you can claim a tax deduction of ₹30,000 towards medical treatment for guardians, medical coverage and registration of both guardians.

Deduction under 80DDB

You can claim deduction up to ₹1.4 lakh (₹60,000 for senior citizen and ₹80,000 for super senior citizen) for medical expenses incurred for determined ailments. For example, cancer, chronic illness, renal failure, etc. It can be claimed for spouse, siblings, guardians and children.

Deduction under 80DD

You can claim the benefit up to ₹75,000 based on the expense incurred for nursing, training, medical treatment, preservation, and rehabilitation for a dependent with special abilities disability (up to ₹1.25 lakh).

Deduction under 80U

In case of a family member or self with special abilities, you can claim benefits of ₹75,000. In case of severeness of the disability, it can be claimed for up to ₹1.25 lakh.

The writer is head, underwriting, SBI General Insurance

BrandWagon

MONDAY, FEBRUARY 1, 2021

NUMEROLOGY

India's restaurant industry in 2021:

- Share of takeaway business will rise to **15%**
- Online food delivery market will grow at a CAGR of **30.5%**
- Share of the cloud kitchen market will grow to **30%**

— Dineout report

RETAIL

Licence to pivot

Pop-culture merchandise brands diversify offerings and take the omnichannel route to stay relevant

VENKATA SUSMITA BISWAS

ASIDE FROM THE disruptions that the pandemic brought in to their businesses, pop-culture merchandise brands struggled as movie and TV show launches took a back seat. College students and young professionals form the core demographic of these brands that offer a range of merchandise around characters and themes from popular movies and shows. "Merchandise sales are based on whatever the flavour of the season is. In 2020, we did not see a lot of new content other than TV shows," notes Jatin Varma, founder, Comic Con India. This meant fewer opportunities for large-scale sales in the past year.

After offering deep discounts and drawing revenue by launching products like masks and PPE kits, companies such as The Souled Store, Bewakoof and EFG Store are now looking at offline expansion and broadening their product portfolios in 2021.

Even though merchandising is a crucial part of a film or show's promotions, India's pop-culture products market is yet to flourish

Merchandise and more

According to Licensing International, global sales revenue generated by licensed merchandise and services in 2019 was $292.8 billion. India's licensing industry is a fraction of that — about ₹4,000 crore.

Redwolf, a leading online store for international IP-based merchandise saw a spike in the sale of t-shirts as most professionals worked from home in 2020. Ameya Thakur, co-founder, Redwolf, says the company introduced 200 SKUs for face masks in response to the pandemic. The Souled Store added shorts and joggers to cater to the demand for athleisure wear.

Bewakoof's founder Prabhkiran Singh chose to diversify into products such as earphones, chargers, sneakers, Indian fusion wear and sleep wear to ride out the pandemic. The company, which earned ₹208 crore in FY20, began selling on marketplaces just a few months ago.

Meanwhile, EFG Store, a brand that makes a range of products — from notebooks to key rings for fans of Hogwarts and Asgard alike — used to earn 80% of its annual revenue from offline sales at multi-brand stores. "Since the pandemic, we have shifted focus to online and are working on improving our pan-India distribution," says Tanisha Fagwani, founder and CEO, EFG Store. The company's plan to

launch exclusive kiosks in malls in 2020 has been deferred.

The Souled Store is adopting an omnichannel model to rake in ₹1,000 crore over the next four years. The company's first store, launched in 2019, was initially a marketing ploy to add tangibility to an online brand. The brand has three exclusive outlets in Mumbai, and is hoping to add 40 more over the next three years. "The stores are meant to improve brand recall and aid offline marketing in addition to being a revenue channel," says Vedang Patel, its co-founder. For now, 90% of The Souled Store's revenue comes from its own website.

Niche appeal

Even though merchandising is a crucial part of a film or show's marketing plan, the pop-culture products category itself is yet to flourish in India, say industry watchers. Jaineel Aga, founder, Planet Superheroes, says there is still a dearth of dedicated brands that purely focus on pop-culture merchandise. Planet Superheroes has about 20 exclusive offline stores in malls. Until 2020, 80% of its revenue came from offline sales; this has now declined to 50%.

Homegrown start-ups have made pop-culture merchandise affordable to Indians: a basic Marvel t-shirt costs ₹500. Despite making products accessible, the challenge with going offline for these companies is that "currently they appeal to a small niche of millennial customers," says Anand Ramanathan, partner, Deloitte India.

Typically, offline customer acquisition cost in high footfall locations such as malls or airports is five to 10 times more expensive than online customer acquisition. This makes offline retail a marketing investment until the brand can become profitable.

International IPs attract the majority of pop-culture merchandise sales in India. Companies like The Souled Store and Bewakoof have forged tie-ups with Indian content creators, OTT platforms and sports leagues to expand the scope of the products they sell. For instance, The Souled Store is the official merchandising partner for IPL teams Chennai Super Kings and Mumbai Indians.

Aga points out that merchandise based on Indian IPs are short-lived; those related to stand-up comedy specials or Indian OTT shows are no match for superhero characters that have built an ardent fan base. Even the *Game of Thrones* merchandise did poorly after the final season failed to impress fans.

PERSONAL CARE

Riding the hygiene wave

Soap brands launch new variants, smaller packs to tap demand

DEVIKA SINGH

THE MAGNIFIED EMPHASIS on hygiene has boosted the soaps category in India. According to data from Kantar, the category grew 7% in volume terms in Q3 2020, on a moving annual total (MAT) basis, as compared to the 2% growth seen in Q3 2019. The demand was particularly high for large packs of over 150 gm — this segment saw growth of 11% during the period, as opposed to 8% de-growth witnessed in Q3 2019, the data reveals. Furthermore, small packs of 100 gm saw a sustained growth of 9% (MAT) in Q3 2020, as compared to the same period, previous year.

K Ramakrishnan, MD, South Asia, Kantar Worldpanel, says, "In the early part of the year, the government talked incessantly about 'washing hands with soap'; and since there was no mention of a brand or a type of soap, the entire segment ended up gaining."

It is pertinent to note that categories such as liquid handwash and sanitisers are still new to certain geographies in the country, and largely cater to the upper end of the market. Hence, soaps emerged as the more sought after defence against the virus.

According to a report by Reportlinker, the market for soap bars in India was valued at $2.9 billion in FY20, and is projected to cross $4.4 billion by FY26. HUL, Wipro Consumer Care, Godrej Consumer Products, RB and ITC are among the big players in this category.

Daily soaps

The trend of using small soaps for washing hands and large soaps for bathing caught on in the past year. Owing to this, companies such as Patanjali Ayurved reported high demand for their small packs, especially from the rural belt. The company, which gets more than 50% sales from tier I towns, has increased its distribution in the rural areas by 10-15%.

Several companies extended their offerings to tap this demand; most with promises of 'anti-bacterial' properties and natural ingredients. ITC launched a neem variant under its Vivel brand (50 gm for ₹10) and launched Savlon Hexa Advanced soap and bodywash. "We fast-tracked innovation in line with emerging consumer needs, rapidly scaled up capacity and swiftly positioned innovations in the market," says Sameer Satpathy, chief executive, personal care products business, ITC.

According to Reportlinker, the market for soap bars in India was valued at $2.9 billion in FY20, projected to cross $4.4 billion by FY26

Raymond Group utilised the opportunity to relaunch Park Avenue soaps. Sudhir Langer, CEO, Raymond Consumer Care, says that since some of the brands targeting men, such as Godrej's Cinthol, are now going mainstream, "it is the right time for Raymond to up the ante in the segment".

Meanwhile, Dabur and Emami forayed into the soaps category in 2020 with Sanitize and BoroPlus, respectively.

Safety bet

Most of these brands advertised heavily in the past year. Even the quintessential beauty soap brands, the likes of Wipro's Santoor, tailored their messaging to focus on hygiene. According to data from BARC India, HUL, RB, P&G and ITC were the top four advertisers (in terms of ad volumes) in 2020. HUL, which houses soap brands such as Lifebuoy, Lux, Dove and Pears, and RB, which owns Dettol, increased their ad volumes by 30% and 37%, respectively.

Harish Bijoor, founder, Harish Bijoor Consults, says that though these brands are likely to tailor their communication around 'better safe than sorry', going ahead, the category may not sustain the peak witnessed on account of the pandemic-led demand.

Ramakrishnan of Kantar, however, expects a good year for the category, given the companies' push towards distribution and the launch of smaller packs, even by brands operating at the higher end of the market.

Around the World

Budweiser to skip the Super Bowl

BUDWEISER, KNOWN FOR some iconic Super Bowl advertisements, is giving this year's event a pass. In an announcement the beer brand said that it is foregoing its annual Super Bowl commercial slot for the first time in 37 years. Budweiser will instead reallocate the media investment to raise awareness about the Covid-19 vaccine. Brands such as Coke, Hyundai and Pepsi, too, will reportedly be absent from this year's Super Bowl broadcast.

Book sales in UK reach eight-year high

BOOK SALES MONITOR Nielsen BookScan estimates that more than 200 million print books were sold in the UK in 2020 — a first since 2012. Despite the intermittent lockdowns across the country to contain the spread of coronavirus, the volume of print books sold grew by 5.2%, compared with 2019, Nielsen reports. Charlie Mackesy's *The Boy, the Mole, the Fox and the Horse* and Richard Osman's crime thriller *The Thursday Murder Club* were the two top selling books of 2020.

Twitter launches new tools to curb disinformation

IN A BID to battle disinformation, Twitter has unveiled new tools for users who want to help vet the authenticity of questionable tweets. This platform, called Birdwatch, is a "community-driven approach to help address misleading information on Twitter", says Keith Coleman, Twitter's VP – product. Birdwatch will allow people to identify information in tweets that they believe is misleading and also write notes that provide informative context.

Boohoo buys Debenhams; all stores to shut

FASHION RETAILER BOOHOO has bought the Debenhams brand and website for £55 million. Under the deal, Boohoo will only be acquiring Debenhams' brands and associated IP rights, not its retail stores. This means that the department store chain will be off the high street, resulting in a loss of up to 12,000 jobs.

Motobahn

MOTORCYCLE REVIEW: ROYAL ENFIELD INTERCEPTOR 650

Easy riding across the Himalayas

Is it really nimble in the city, planted on highways and agile on twisty roads?

VIKRAM CHAUDHARY

THERE IS NO doubt that the Interceptor 650 is the finest, most refined motorcycle made by Royal Enfield. But how good a machine is it to live with? How reliable is it? What problems you might possibly face riding it? Is it really 'nimble in the city, planted on the highways and agile on the twisties' as its brochure claims?

I recently rode it across every district in the Kumaon region of Uttarakhand—from Nainital to Almora to Bageshwar to Pithoragarh to Champawat to Udham Singh Nagar—on tarmac, on gravel, on sand, on snow, and even crossed a few shallow streams, knowing fully well that the Interceptor isn't a motorcycle made for all these terrains.

On tarmac: It's possibly one of the easiest, and the safest, motorcycles to ride on open, smooth highways. It's powerful enough to overtake long trailer trucks in seconds, brakes are brilliant, and you can comfortably ride over 200 km without taking a break (my test unit had the Touring Seat fitted). Even at speeds of constant 100 km/h, there are minimal vibrations from handlebars or seat or foot pegs. Although it's technically a roadster motorcycle, it's as good as any tourer (for a single person riding). I covered the 230-odd km Bareilly to Ghaziabad distance in just 3 hours (it's a six-lane access controlled highway).

On gravel: While taking turns on gravelly roads, the tyres lost traction many times. One of the reasons may be that my test unit was fitted with Pirelli tyres, which—while these performed exceptionally well on the tarmac—didn't grip as well on gravel. Going forward, the Interceptor will come with Ceat Zoom Cruz tyres, which, the company claims, have been specially developed to complement the chassis and suspension in all riding conditions.

On sand: In the Himalayas you can find sand while entering and exiting shallow streams (in case your travel takes you to such places, off the highways). All motorcycles will struggle in soft sand; the Interceptor was no exception.

On snow: Riding on soft, inch-thick snow near Munsiyari was a revelation. It was either the tyres or the motorcycle's weight or the engine power that did the trick. In fact, on snow, the Interceptor rode almost as well as a Himalayan—which is made for such terrain—would.

Shallow streams: The streams I crossed were both narrow (20-odd feet wide) and shallow (no more than six inches of water). The 174mm ground clearance of the Interceptor ensured I didn't get stuck.

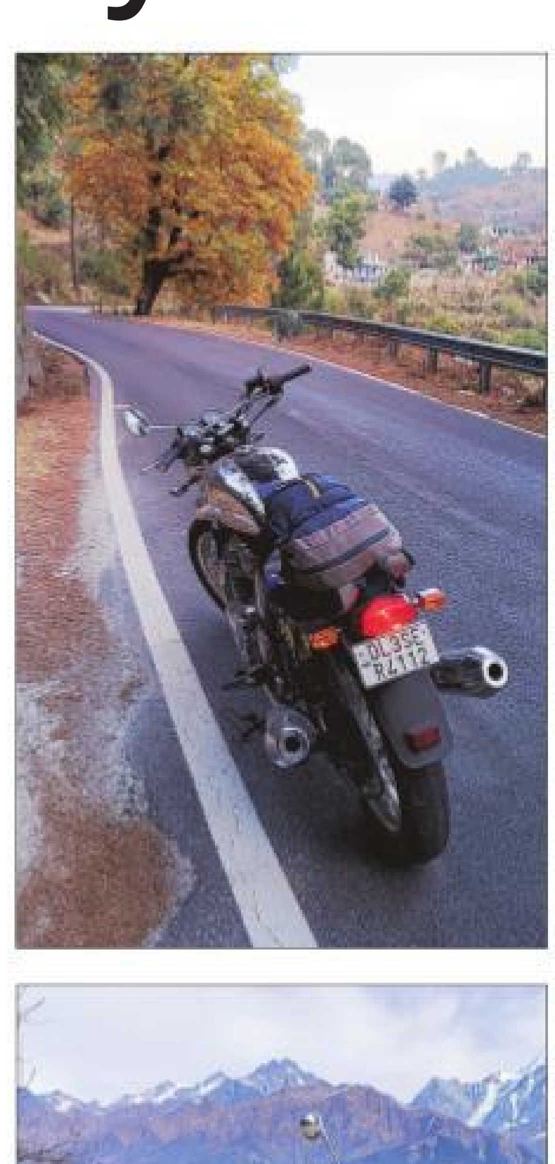
Twisty roads

The Interceptor is in its element on twisty mountain roads. It's got an excellent lean angle, exceptional shockers, perfect riding position, and never feels out of power while accelerating out of a corner riding uphill.

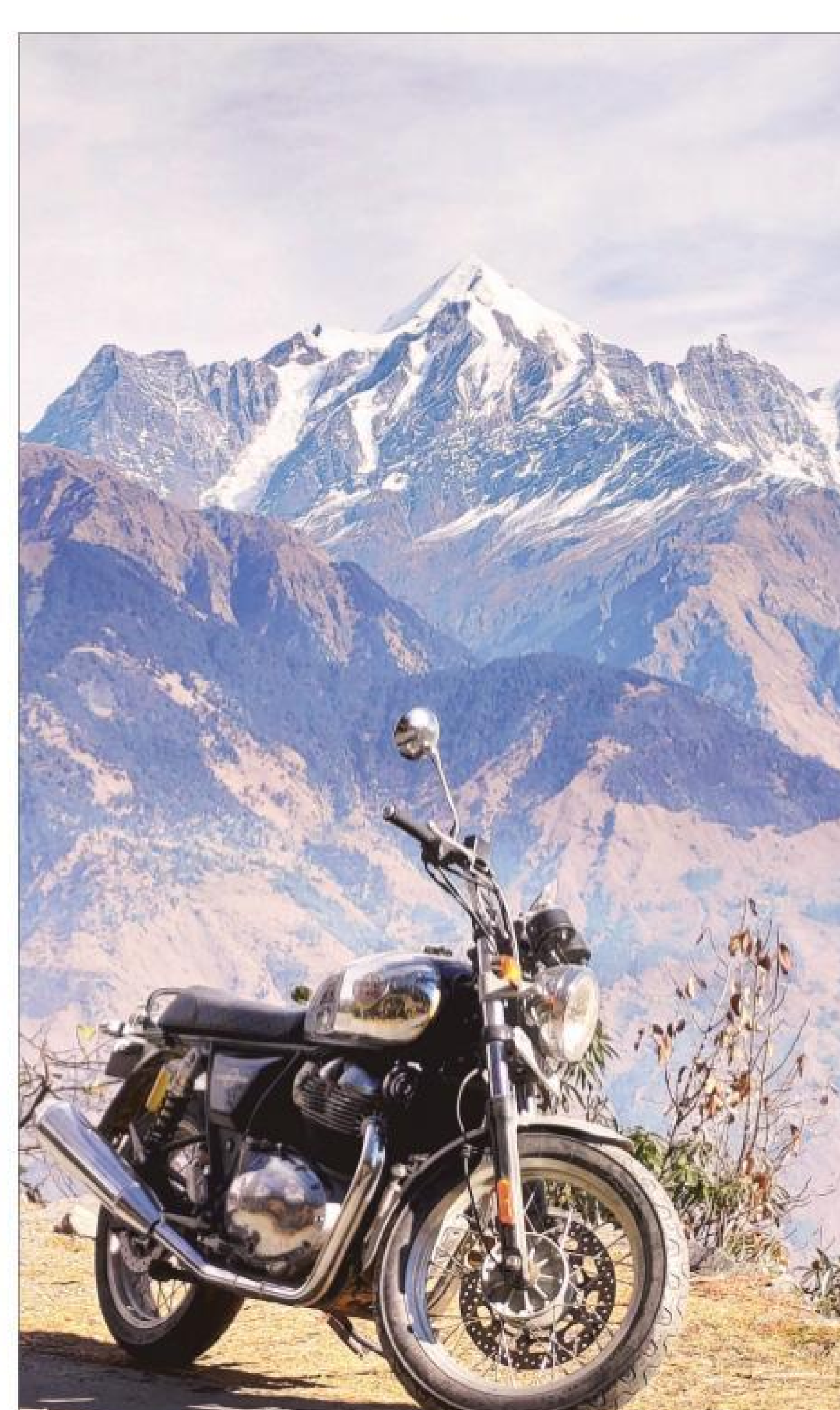
As the brochure claims, the Interceptor 650 is nimble in the city (but you may get tired riding through traffic jams), planted on the highways (provided you are riding on smooth tarmac) and agile on twisty roads (anytime).

Areas of improvement

- At 202 kg (without fuel), the Interceptor 650 is too heavy. So riding it in stop-and-go traffic (where you have to constantly put your feet on the road to balance) can get tiring.
- The instrument cluster is way too basic. Agreed, it's a retro design, but at least a clock and a gear-position indicator can make riding more convenient.
- Royal Enfield doesn't offer genuine accessories (for the Interceptor 650) for carrying luggage for long rides, such as panniers, etc.



The Interceptor is in its element on twisty mountain roads. It's got an excellent lean angle



Specifications

- **Engine:** 648cc twin-cylinder
- **Power:** 47bhp
- **Torque:** 52Nm
- **Gearbox:** 6-speed manual
- **Front brake:** 320mm disc
- **Rear brake:** 240mm disc
- **Steering angle:** 37.5 degrees
- **Ground clearance:** 174mm
- **Seat height:** 804mm (2.6 feet)
- **Fuel tank:** 13.7 litres
- **Fuel efficiency:** 30 km/l
- **Weight (without fuel):** 202 kg
- **Price:** ₹2.78 lakh (ex-showroom)

THE RIDING JACKET

The Royal Enfield Nirvik riding jacket is what kept me safe, and comfortable, in the cold weather. In December, in north India, early morning/evening temperatures can plummet to sub-10 degree Celsius, and below freezing point in the Himalayas. Add to that the wind blast (you are riding, after all). The jacket has got a thermal layer inside, rain cover outside, ventilation areas for hot weather, and five big pockets for keeping phone and wallet, etc.

Infrastructure

MONDAY, FEBRUARY 1, 2021

EXPERT VIEW

The ongoing ramp-up of CGD networks would also raise CNG consumption. The CNG segment – accounting for ~40% of CGD demand – is expected to log a CAGR of ~25% between fiscals 2021 and 2023, as against ~11% over the past three years

—CRISIL

DFC PROJECT

Rlys off on journey towards efficiency

With two DFC stretches commissioned and the rest likely by June'22, a major operational boost awaits the Indian Railways

NIVEDITA MUKHERJEE

WITH THE RECENT inauguration of the 351-km New Bhaupur-New Khurja section of the Eastern Dedicated Freight Corridor (EDFC) and the 306-km Rewari-Madar section of the Western Dedicated Freight Corridor (WDFC), the Indian Railways has begun its journey towards becoming an efficient transporter of freight in the country. Estimated to cost ₹82,000 crore and expected to be fully ready by June 2022, the DFC project is the biggest railway infrastructure project since Independence, besides being the signpost of a self-reliant India.

Since the New Bhaupur-New Khurja section of EDFC was inaugurated in December, 2020, it has allowed freight trains to touch an average speed of 90 kmph, triple that on the regular network. The section, built at a cost of ₹5,750 crore, will decongest the existing Kanpur-Delhi main line. To create seamless movement, 68 level crossings were eliminated on this section, which has 19 major bridges, 414 minor bridges and 7 rail flyovers.

A heavy-haul double-stack container train at DFC's New Ateli station

The Rewari-Madar section of the WDFC, designed to allow trains to run at 100 kmph, has double-stack, long-haul container trains running from New Ateli in Haryana to New Kishanganj in Rajasthan. This has placed India among select nations to operate such a freight service. The section, built at a cost of ₹5,800 crore, has eliminated 148 level crossings and has 16 major bridges, 1 viaduct, 269 minor bridges, 4 rail flyovers, 22 road overbridges and 177 road under-bridges.

The 1,856-route-km EDFC, starting at Ludhiana, will pass through the states of Punjab, Haryana, Uttar Pradesh, Bihar and Jharkhand before terminating at Dankuni in West Bengal. The 1,504-route-km WDFC, connecting Dadri in Uttar Pradesh to the Jawaharlal Nehru Port in Mumbai, will traverse through the states of UP, Haryana, Rajasthan, Gujarat and Maharashtra. According to railway officials, 40% of the DFC project would be commissioned by March 2021 and the remaining 60% by June 2022. Totting up to 2,800 route km, this would exclude the 538-km Sonnagar–Dankuni section, which is being built under the PPP mode.

To maximise gains from the project, the Delhi-Mumbai and Amritsar-Kolkata industrial corridors are being developed around the two DFCs. As part of the Atmanirbhar agenda, the commissioned WDFC stretch is expected to create opportunities for farmers, entrepreneurs and merchants of Rajasthan as well as facilitate growth of cities like Mahendragarh, Jaipur, Ajmer and Sikar which fall along the route. The New Bhaupur-New Khurja section on the EDFC covers the districts of Kanpur Dehat, Aurayia, Etawah, Firozabad, Hathras, Aligarh and Bulandshahr and will provide market access to products of aluminium, milk, textile, and glassware industries.

Envisaged in 2008, the DFC project remained on the backburner until 2014 when the NDA government stepped on the gas, inducting new technology to facilitate its implementation. This was a part of the National Rail Plan which laid out a roadmap to boost the share of rail in freight transport and augment infrastructure to cater to demand up to 2050. Once the DFCs are fully functional, at least 70% of the country's freight trains will ply on the dedicated network, helping in efficient movement of cargo and reducing logistic costs, which remain high in India at present and take a toll on national productivity. By decongesting the main network, the DFCs will also improve the functioning of passenger trains.

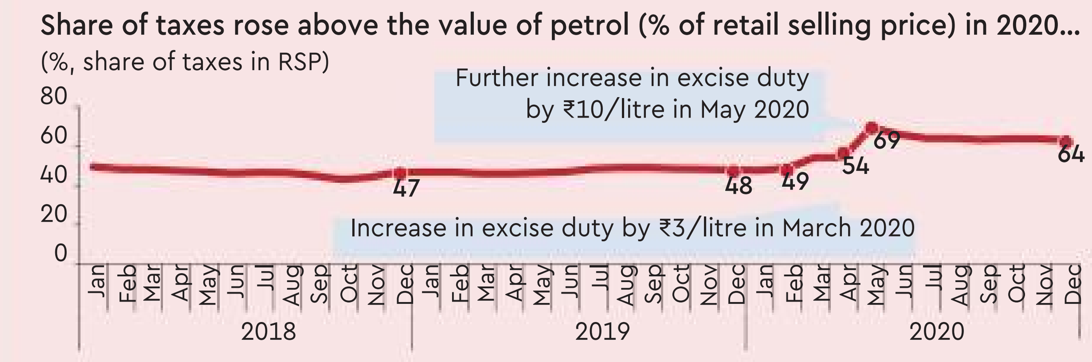
The corridors will allow the operation of heavy-haul trains (axle load of 25/32.5 tonne) which can carry overall load of 13,000 tonne and be up to 1.5 km in length. Moreover, according to a Green-House Gas forecast, the DFCs will cut CO2 emissions by as much as 1.5 crore tonne every year.

DATA MONITOR

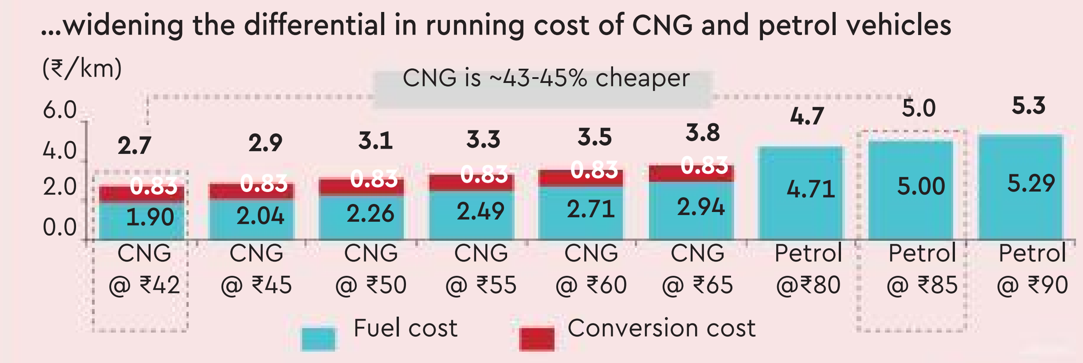
Petrol prices to spur use of CNG vehicles

With petrol prices rising due to a steep increase in taxes in the recent past, the adoption of CNG-driven vehicles is set to go up, CRISIL has said. The agency expects Brent crude to rise ~23% on-year to an average $50-55 per barrel in 2021. While the % increase in domestic gas prices will be similar, the differential between petrol and CNG retail prices will remain wide.

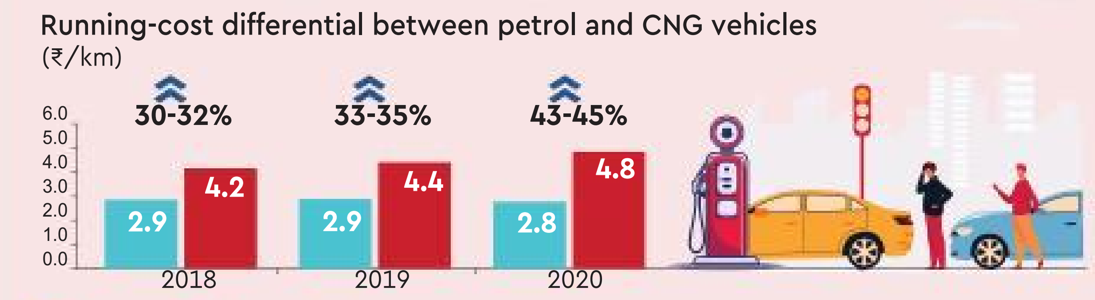
Share of taxes rose above the value of petrol (% of retail selling price) in 2020...



...widening the differential in running cost of CNG and petrol vehicles



Running-cost differential between petrol and CNG vehicles



CNG Petrol Difference in the running cost of CNG and petrol vehicles

Note: CNG and petrol prices are year-end prices (Delhi) Source: CRISIL Research

Quick View

NIIF equity spend averages less than ₹1,000 cr in 5 years

IN ITS FIVE years of existence, the National Investment and Infrastructure Fund (NIIF) has made equity investments of less than ₹5,000 crore in infrastructure projects, PTI reported last week. That works out to less than ₹1,000 crore per year on average. The ₹40,000-crore NIIF was set up in December 2015 as an institution for enhancing infrastructure financing by investing in greenfield, brownfield and stalled projects. According to sources, NIIF has made an equity investment of ₹4,689 crore, while the co-investment by its partners stood at about ₹7,053 crore at the end of September 2020. The quasi-sovereign wealth fund's total equity investment along with partners thus stood at ₹11,742 crore as of September 2020. At the same time, the long-term debt investment stood at ₹7,935 crore, taking aggregate investment to the tune of ₹19,677 crore.

Dilip Buildcon JV inks pact for ₹1,000-cr road project

DILIP BUILDCON ON Thursday said its joint venture with Altis-Holding-Corporation (DBLAHC IV) had entered into a pact with the National Highways Authority of India (NHAI) for a ₹1,000-crore highway project in Rajasthan. The project would be executed in the engineering-procurement-construction (EPC) mode. The project pertains to construction of an eight-lane access-controlled expressway which is a part of the Delhi-Vadodara greenfield alignment under the Bharatmala Pariyojana. The completion period for the 8.30-km project is 30 months.

EDEN secures $165 mn for 450-MWp solar project

EDEN RENEWABLES INDIA has tied up with DBS Bank Ltd, Standard Chartered Bank and Sumitomo Mitsui Banking Corporation (Singapore Branch) for $165-million funding for its 450-MW peak solar power project in Rajasthan. "EDEN Renewables India (EDEN) has successfully secured financial close for its 450 MWp (megawatt peak) SECI III solar PV project, with a group of three major international banks," according to a statement. The project is expected to be commissioned in the first half of 2021.

Startups

INTERVIEW: **SUBRAHMANYAM VEMPATI,** Co-founder & CEO, Cuspera

Covid-19 has increased the digital transformation budget

It is almost cliched to say that the past few months have changed our personal and professional lives. Every company has woken up to the importance of digital technologies. The big question: How do you find the right tools? **Subrahmanyam Vempati,** *co-founder and CEO of Cuspera (an AI-based platform), talks to* **Sudhir Chowdhary** *about the importance of the right choice of technology for digital transformation, in particular how Artificial Intelligence (AI) should be leveraged in the B2B space to drive digital transformation. Excerpts:*

How do we see the future of AI?

AI has pushed the frontier in domains such as health, B2C segment (such as online shopping), language translation, cybersecurity that were unimaginable a few years ago due to cheap computing power and large amounts of data to train the algorithm. This trend will continue for many years to come. We see AI taking roots in B2B and enterprise solution. We are in exciting times. At Cuspera, we think we are lucky to start when some of the AI technologies have matured and found application in consumer technologies thanks to large amounts of training data. We leveraged some of these technologies in B2B to provide breakthrough innovations in how business teams discover the right software for their digital transformation.

How do you see AI disrupting the traditional way of doing business?

Traditionally, the software is selected using a very laborious RFP/RFI process taking several months. This pace is no longer acceptable. Sacrificing quality for speed is not an option either. Software vendors see the shift from the traditional push-kind of sales to pull marketing because of the more "consumerish" model of buyers doing online research before talking to the vendors late in the cycle.

At Cuspera, we see these two changes as the two sides of the same coin. We visualise this as a matching problem. We see AI helping shorten this selection cycle significantly by 10X or more while retaining the quality. Matching a technology solution that best solves a business need is challenging as each business need is unique. Every software product is different too, as they are designed to solve very specific use cases. Selection is complicated as any choice needs to fit into the business's existing technology stack and meet the security and compliance needs.

That's what Cuspera's patented AI addresses this conundrum. Our NLP technology pools in domain knowledge, curated insights on software from vast and rich sources such as reviews, blogs, and forums. Machine-learning and NLP helped us understand the business needs and translate and match against the available solutions using a semi-supervised recommendation engine. Every month more than 50,000 users use our platform to discover software.

What kind of business can benefit from software like Cuspera, and how is it adding value?

One of the biggest inhibitors for a successful digital transformation is the selection of the right software solution. Most managers are not technologists. Cuspera's mission is to become a trusted advisor to business managers who are continually looking to find software solutions for their pressing business needs. Cuspera now has more than 17,000 Martech and Salestech solutions listed on the platform with 100 million plus insights from solution users and experts. Cuspera is currently serving business managers across geographies, across industry verticals from small business to large enterprises.

How does Cuspera help business managers navigate this difficult time?

As we are a destination for business managers to find software solutions for their business needs, we have helped numerous business teams find solutions to address latent topics such as ROI and efficiency, internal communications, collaboration, sales enablement. Our traffic shot up from 5000 monthly visitors in January to close to 60,000 monthly visitors now. Cuspera.com is free to use platform for both business managers and software vendors. What is very motivating is to see even smaller businesses in India looking for the software on our platform.

How does Cuspera help software vendors?

Cuspera believes every software is unique and helps the vendor stand out in an ever-crowded space. Cuspera allows vendors to list for free on the platform and, based on verified data, recommends their software to businesses looking for solutions for matching business needs. We have seen a nearly 400% increase in SaaS (software as a service) vendor sign-ups on our platform with this pandemic. Many of these solutions are hyper-specialised in solving focused needs in specific verticals. They would have struggled to reach their customers without help from Cuspera's AI algorithm, which surfaces them to relevant searches from business leaders across the globe.

Cuspera also has a paid product, an AI-powered guide on the vendor's website, that helps its visitors determine the software's fit for their needs based on peer and expert insights. Several software vendors are already benefiting from Cuspera in this model. We are working on scaling this in a big way soon.

CALLIFY.AI

Recruiters' job made fast and simple

Callify.ai is a voice-based candidate screening and engagement platform for talent acquisition teams

SUDHIR CHOWDHARY

FOUNDED IN 2016, Callify is an industry-agnostic, voice-powered technology for working professionals that enables them to automate their daily outbound phone interactions through advanced technology such as speech AI and virtual assistant.

The platform empowers users to screen leads without calling, increase closure rates, reduce cost-per-hire, and conduct performance data analysis, thus eliminating over 70% of wasted or unproductive time. This advantage makes it an essential tool in any job that entails outbound interactions throughout the day such as HR, sales, operations, marketing, etc.

Recently, Venture Catalysts, an integrated incubator, participated in the $560,000 seed round in Callify. The funding round was led by Malpani Ventures (India), along with participation from Calega Ventures (UAE), The Chennai Angel Network, and Marvari Angel Network.

(L-R) Callify CEO Chetan Indap, CTO Sunny Sharma & COO Deepanti Kavi

Speaking on the investment, Chetan Indap, CEO, Callify, said, "We are excited that some of India's leading investment institutions are confident in our value proposition and the team's capabilities to execute the planned growth. This funding validates that we are on the right path and motivates us to continue working towards our long-term goal." Callify works with Infosys, Accenture, NTT Data, HDFC Bank, Orange Telecom, ICICI Prudential, HCL, Kelly Services and Allegis, among others.

Quick View

450 infra projects show cost overruns of over ₹4.28 trn

AS MANY AS 450 infrastructure projects, each worth ₹150 crore or more, have been hit by cost overruns totalling more than ₹4.28 trillion, a Ministry of Statistics and Programme Implementation report has said. Of the 1,687 such projects, 450 reported cost overruns and 558 were delayed. "Total original cost of implementation of the 1,687 projects was ₹21,44,627.66 crore and their anticipated completion cost is likely to be ₹25,72,670.28 crore, which reflects overall cost overruns of ₹4,28,042.62 crore (19.96% of original cost)," the ministry's latest report for December 2020 said. The expenditure incurred on these projects till December 2020 was ₹12,17,692.37 crore, which was 47.33% of the anticipated cost of the projects. The ministry monitors infrastructure projects worth ₹150 crore and above.

PowerGrid offering ₹7k-cr assets through InvIT IPO

TRANSMISSION UTILITY POWER GRID Corporation of India (PGCIL) on Wednesday filed a draft offer document with the Security and Exchange Board of India (Sebi), seeking to monetise some of its assets through PGlnvIT, the infrastructure investment trust (InvIT) recently formed by the company. Though the valuation of the assets to be put up for sale through the proposed initial public offer has not been mentioned by PGCIL, five transmission lines worth ₹7,000 cr are seen to be up for grabs. This is the first time a PSU in the power sector will monetise its assets through the InvIT model and use the proceeds to fund new and under-construction capital projects.

L&T venture wins ₹1,390-cr order for bullet train project

THE NATIONAL HIGH Speed Rail Corporation Ltd (NHSRCL) on Monday awarded a contract for the procurement and fabrication of steel bridges for the Mumbai-Ahmedabad High Speed Rail Corridor to a consortium of Larsen and Toubro and Japanese IHI Infrastructure Systems. The contract is worth ₹1,390 crore and entails building of 28 bridges. The bridges are proposed to be built over railway lines, highways, rivers, roads, and other structures, the National High Speed Rail Corporation Limited said.

Education

MONDAY, FEBRUARY 1, 2021

INVESTING IN THE K12 SEGMENT

Rajiv Bansal, Global Indian International School, India

"Today's Union Budget is very crucial for the education sector. India is home to the world's largest K12 population and investing in the K12 segment is important, because early childhood education plays a vital role in building the foundation of both the students and the country."

When design meets disability

NIFT students start online platform to help kids with intellectual disabilities cope up with the pandemic

FE BUREAU

A TEAM OF students from the National Institute of Fashion Technology (NIFT), Mumbai, have launched an inclusive, e-learning tool that aims to help children with intellectual disabilities to adapt to the new normal using the power of stories. Developed with support from Special Olympics Bharat, the narrative platform provides social and emotional education to help children with learning challenges cope with social situations through customised animated stories.

The lockdowns have had an adverse impact on children, with most being away from the classroom since March 2020. This transition to online learning and the rapid lifestyle shift has been particularly challenging for children with intellectual disabilities (ID). After interactions with Special Olympics Bharat athletes, NIFT Mumbai students Saloni Mhapsekar, Kritika Sharma and Gaurav Singh, along with a team of 15-plus people, came up with Typed Tales to address this issue. The final year students of Fashion Communication Strategy spent 16 weeks of research and conducted 180 hours of interviews to recognise the challenges being faced by people with ID and address them through innovative usage of design.

The multilingual platform is now live and offers free access to all.

Stipend payouts saw positive growth in 2020

May see a 3% rise in 2021: TeamLease Skills University

VIKRAM CHAUDHARY

DESPITE THE DISRUPTION caused by the Covid-19 pandemic, the average stipend payouts for apprentices had witnessed a growth in 2020, and this positivity is expected to continue in 2021, according to the report '*Stipend Primer: Post-Pandemic Special*' released by the National Employability through Apprenticeship Programme (NETAP) from TeamLease Skills University. "The average stipend payout is expected to witness more than 3% point rise in 2021," it noted.

According to the analysis, in the manufacturing sector, apprentices in the electrical & electronics and healthcare & pharmaceuticals segments saw a 17% point and 11% point growth in stipends that were rolled out, respectively.

In the services sector, while apprentices in e-commerce saw a 39% point growth, education witnessed a 34% point rise. In fact, education and e-commerce today hold first and second ranks, respectively, with regard to stipend payouts.

Sumit Kumar, vice-president, NETAP, TeamLease Skills University, said, "The disruption over the last year has reiterated the need for building a robust pool of employable and skilled talent, who are better prepared for the future of work. Companies have realised the need to invest in apprentices to build a steady talent pool, and are keen to hire more apprentices."

The report noted that Pune and Delhi are the cities where apprentices are being paid significantly higher stipends, and at an average of ₹12,350, apprentices based in Bengaluru earn the highest stipend.

E-commerce and education were top-paying sectors for apprentices across qualifications

The '*Stipend Primer: Post-Pandemic Special*' is an analysis on stipend payout trends for apprentices starting from 2018 to October 2020—across business sizes and industries. The report considered inferences from 296 employer respondents across India.

SiMa.ai to hire in India for its new design centre

FE BUREAU

SIMA.AI, the machine learning company, has opened a new design centre in Bengaluru. Investment in the new site, the company said, will bolster its engineering and operations team, and open up new in-region job opportunities for board development, operations, infrastructure, and system application roles. "Growth beyond the Silicon Valley and Serbia will give SiMa.ai a solid foundation with engineering talent in India to jump-start the productisation of SiMa.ai's MLSoC platform, while scaling the team for next-generation product development," the company said in a statement.

Krishna Rangasayee, founder and CEO of SiMa.ai, said, "The embedded edge market is ripe for disruption; ML has moved from nice-to-have to must-have. Expansion into India is pivotal as we prepare to deliver the industry first purpose-built MLSoC."

SiMa.ai's engineering team in India will report to Gopal Hegde, senior vice-president, Engineering and Operations. Hegde stated, "We go where outstanding engineers are located. Bengaluru has a talent pool of highly qualified and experienced engineers and our expansion into the region is a strategic move as we grow our engineering organisation."

BUDGET WISH LIST

Allot, at the least, 2% of GDP to R&D

Time to raise investment in education to 6-7% of GDP

MANOJ K ARORA

THE NATIONAL Education Policy (NEP) focuses on improving the quality of higher education at all levels, increased use of technology in education, bringing about equity in education, robust teacher education initiatives, and cultivating research for the social good. But one of the biggest impediments in the way of implementation of this plan is getting the funds.

The government expenditure on education is meagre. As reported by the World Bank, the public expenditure on education was around 4.4% of GDP in 2019 and only 3.4% of GDP in 2020.

In the 2020 IMD World Talent Rankings, which capture the capacity of an economy to attract talent, Switzerland and Denmark were ranked first and second, respectively. Both have allocated significant percentage of public spend on education for the last many years. The report concludes that the top performing countries in terms of talent development and retention are the ones investing holistically in education at all levels (primary, secondary and tertiary). This offers a case for India to increase investment in education to 6-7% of GDP, with combined contribution of central and state governments.

Also, investment in R&D is an important parameter manifesting data-driven and research-backed policymaking. It supports creation of IP rights and competitiveness. In fact, as a part of the SDG, countries have pledged substantial increase in public and private spending in research and increase the number of researchers by 2030. If we wish to give due importance to research, investment in R&D and innovation in India, which stands at 0.7% of GDP as compared to 4.3% of GDP in a small country like Israel, needs to be enhanced. From a stagnant range of 0.6% to 0.7% of GDP since last two decades, it is high time India allots at least 2% of GDP to R&D.

During Covid-19, we saw indigenous research across sectors—manufacturing, agriculture, healthcare or IT. The National Research Foundation (NRF), meant to fund, mentor and build quality of research, will give a boost to community-relevant research as envisaged in the NEP, and also Atmanirbhar Bharat. The NRF will act as a robust and efficient support system to facilitate research in higher education institutions and is being eagerly awaited.

The author is vice-chancellor, BML Munjal University

NEWS BRIEF

Elite rolls out Elite Points for e-learning

Edtech start-up Elite has launched 'Elite Points', India's first rewards-based learning system, where you can accrue points for the time you spend learning on Elite. You can then choose rewards in the form of gift cards from Amazon, Myntra, Flipkart, MakeMyTrip or top up Paytym. The points can also be redeemed to pay for paid courses from Udemy, Coursera, EdX, MIT and others on the Elite platform.

Schoolguru: Permit online degrees

Shantanu Rooj, founder & CEO, Schoolguru, says that execution of reforms like NEP is crucial. "In the Budget, the government should execute on intention to permit all Indian universities to deliver online degrees (announced in May 2020)."

More focus on design education

In the Budget we wish improved grants for education, especially design education. Design assists innovation—the most powerful engine of economic growth, says Sanjay Gupta, vice-chancellor, World University of Design.

Education funding must be increased

Today, schooling, skilling, higher education and employment go hand in hand, says Aditya Gupta, CEO, India Didactics Association. "These need to come together for India to be 'Atma Nirbhar Bharat'. Funding to education reach 6% of GDP as envisioned in the NEP."

Budget must focus on teacher-training

Vinay Sharma, the head of digital services at S Chand and Co, says education budgets have fallen short in addressing the need for teacher-training. "We hope to see a larger outlay in this Budget."

Allocate more funds to online education

There should be more allocation of funds to online education, says Rustom Kerawalla, chairman of the Ampersand Group. "The Budget must look at improving teacher-student ratio as nearly 250 million students are expected to enrol in schools by 2030, needing 7.5 million highly trained teachers."

IIIT-Naya Raipur hosts annual event

IIIT-Naya Raipur hosted the fourth edition of its annual student event SCInTFIC-2021: Science & Tech over Fiction, on January 28.

FE BUREAU

Science & tech

Kanishk Gaur

Understanding privacy

Governments can work towards creating standard operating guidelines

THE RECENT UPDATE in WhatsApp privacy policy has got mixed reactions across the globe, with many questioning the announcement's intent and timing.

In January 2018, WhatsApp Business was announced, which would allow people to communicate easily and free of cost. The new product was widely accepted worldwide with a surge in messaging to business accounts—crossing more than 175 million messages per day.

WhatsApp supplemented this by launching WhatsApp Business API, which allowed large businesses, SMB's to respond to their customers faster and keep their inventory up to date to sell products through chats.

The important thing to analyse is how this change impacts businesses and consumers? And, whether end-to-end encryption will still apply to these chats?

All communication on WhatsApp remains end-to-end encrypted; however, if a business decides to use a third party to manage WhatsApp Business API, then end-to-end encrypted doesn't apply.

The third-party may be hosting and managing conversations, therefore, may apply data science, analytics, machine learning algorithms to analyse chats for effectively analysing consumer's interaction trends and attributes for marketing.

Since businesses using WhatsApp API have an option to choose a third-party API, they can also consider Facebook's secure hosting features.

Facebook, like any other hosting service, will monetise these conversations, including advertising on Facebook.

The transition to online presents a tremendous opportunity for businesses to communicate with consumers and effectively serve them via WhatsApp.

While many pundits appreciated and welcomed this public announcement by WhatsApp about this policy update and public disclosure. For countries that don't have data protection law or a policy to regulate non-personal data governance, this change has been criticised and misunderstood. Many influencers have responded to this change without going into the nitty-gritty of the new policy. This led to a migration to alternate platforms such as Signal and Telegram, which were least prepared to handle the massive rise in traffic.

While WhatsApp's functionality, users experience, and safety features far exceed the latter two platforms, the narrative of end-to-end encryption and secrecy has many users flocking to these services. WhatsApp, in turn, has pushed the new policy implementation to May.

The biggest beneficiary has been the six-year-old app "Signal" which added 2 million users worldwide within 12 hours of WhatsApp policy change announcement. It broke all records crossing 40 million users worldwide topping app stores in more 70 countries, including the US.

Telegram and Signal have been popular with groups requiring secrecy—investigative journalists, revolutionary groups, anti-establishment communities and leaders of social uprising. However, the design of these platforms also makes them vulnerable to willful misuses.

Violent, extremist groups have found platforms like these are an effective tool to actively propagate hate, vengeance towards vulnerable communities and also recruit members.

It's important these platforms also look at cooperating with law enforcement agencies. Another aspect these platforms need is an effective monitoring policy that takes care of its users' safety and trust. Effectively using machine learning algorithm and performing metadata analysis could be one example.

Governments can create a level-playing field for platforms in their countries. EU GDPR regulation is one classic example. Another aspect to understand is that every online-enabled business will ultimately analyse data, be it social media platform or messaging application as businesses cannot sustain on just investor funding or crowdfunding. Hence, effective laws could help countries tackle privacy, trust and safety of users and protect their citizen's digital identity.

The author is founder, Indian Future Foundation. Views are personal

EAVESDROPPER

Tested development

ISHAAN GERA

WHILE VACCINE-RELATED developments have certainly been a hallmark of rapid technology development in the last year, developments on the testing front have mostly gone unnoticed. Given the experience with earlier SARS infections, countries could scale up tests immediately, but some even developed entirely new tests to detect assays of SARS CoV-2 virus in the body. New research also contributed to new methods of testing. Recently, China has been in the news for testing using anal swabs. Research in the country suggests that even if some people were found to test negative in nasal swabs, anal swabs showed them as positive, indicating the presence of long term infection. Although the sample size is too small to determine anything, research is throwing up new avenues. While rapid antigen tests have been used in India to conduct quick tests in communities to determine infection, researchers found a new rapid testing technique. As per research in the *ACS Sensors*, Osaka University scientists discovered that they could detect virus particles by identifying changes in electric current as it passes through ultrasmall pores.

Last year, Chinese and American scientists started working on a DNA based test using Crispr Cas-12 and Cas-13 technique. India also moved to a similar test named Feluda, developed by CSIR-Institute of Genomics and Integrative Biology, which was the first in the world to use Crispr-Cas-9 technique. Used on 2,000 patients, the test had a 96% sensitivity and 98% specificity. The real benefit of the test is the turnaround time. While an RT-PCR test takes hours to determine results, Feluda can do so in 45 minutes. Two, it does not require advanced machines like the ones required for RT-PCR testing.

Not that RT-PCR testing itself has not gone through advanced iterations. Hologic Panther Systems was one of the first companies in the US to get an emergency use authorisation for its fully automated transcription-mediated application testing, which is somewhat similar to PCR. In October 2020, the FDA authorised Aptima SARS-CoV-2 assay to test individuals without symptoms given the sensitivity and accuracy.

MD & CEO, Hemogenomics Sumit Bagaria, company involved in getting diagnostic solutions to India explains how Hologic system machines are being used in India and their cost and safety aspect.

"When signals of Covid came in January or February, they were first to move into Covid test. The Panther system is a fully automated amplification system a bit different from PCR, but similar in the sense it amplifies the viral RNA or DNA. Hologic uses a technology called transcription-mediated application", he says.

"The machine can do a 1,000 tests a day, and the company is doing 5 million tests a month, of which 4 million are in the US," he adds.

The machine costs ₹1.6 crore and ₹2.5 crore with a five-year maintenance. The cost per test is ₹1,800-much higher than manual RT-PCR test-but Bagaria claims that the machine is more advanced and safer where swab goes directly in the tube and then directly in the machine, which is not the case with manual testing where tubes are changed often.

Another testing that has assumed importance is the antibody test, Roche recently got the FDA approval for its antibody test. Many countries are also using antibody tests to determine the relationship between vaccine protection and antibodies.

ishaan.gera@expressindia.com

Focus on private security industry

MAJOR MANJIT RAJAIN

IN BUDGET 2021, the government should emphasise on standards of training to be met, as well as infrastructure standards to be maintained by a training centre. The NSDC and sector skills councils should be mandated to undertake surprise checks of TPs (training partner) to ascertain the quality of training being imparted.

A major concern for the security industry from a policy perspective is that it is subject to an overlapping set of federal and state regulations, leading to multiplicity of registrations to conduct business. So it's critical that a single-window licensing system is created as a combination of central/state level registration, depending on factors such as the size, scale/area of operations, employment conditions, past experience and the like for the private security agency. In the private security industry, security personnel work more than eight hours per day and do not have any specifications about overtime working hours—this needs to be specified by the government and regularisation of compensation as per duty hours should be ensured.

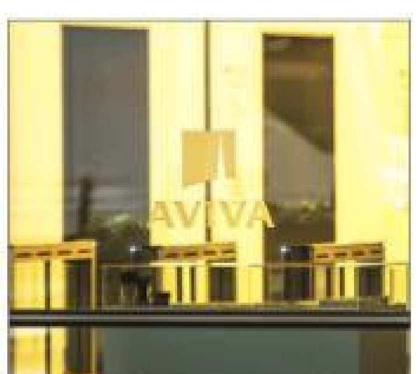
The author is global chairman, Tenon Group of Companies

Aviva likely to divest from firms that don't act on climate

MAX ZIMMERMAN
January 31

AVIVA INVESTORS, ONE of Britain's top asset managers, will divest from oil, gas, mining, and utilities companies that do not meet its expectations on tackling climate change.

The London-based investor has written to the companies, calling on them to set net zero emissions goals and integrate climate risks into their strategy, including their plans for capital expenditure, the Financial Times reported, citing chief investment officer for equities David Cumming.



Cumming told the paper that climate change poses a huge risk to capital markets and that it is a massive disruptor. He said divestment was the last thing Aviva wanted to do but that "we will do it."

Aviva will divest across both its equity and credit portfolio if companies fail to meet expectations over the next one to three years, he said. Aviva declined to name the companies it is targeting.

Aviva Investors manages 355 billion pounds ($486 billion) and has stakes in 30 of the world's largest oil, gas, mining and utilities companies, according to the Financial Times. Cumming said he expected other asset managers to increasingly consider divestment as a response to companies' efforts on climate change. — BLOOMBERG

SECURING SUPPLY

UK's vaccine plan on track after EU export spat: Truss

Trade secretary says UK has received assurances from EU that contracts won't be disrupted

LUCY MEAKIN
January 31

THE UK'S SUPPLY of vaccines is secure and the country will be sticking to its rollout timetable, international trade secretary Liz Truss said.

Her comments came after the European Union's executive arm announced it would require vaccine makers to obtain authorisation before sending shots manufactured in the bloc to some other countries. The spat has raised concerns over the provision of supplies of the Pfizer and BioNTech shot, manufactured in Belgium, to the UK.

The spat has raised concerns over the provision of supplies of the Pfizer-BioNTech shot to the UK. BLOOMBERG

"We are absolutely confident we can continue to deliver our programme," Truss said in a Sky News interview. "We have received assurances from the EU that those contracts won't be disrupted. And now I think we need to move forward, working together."

The origin of the flap over exports is AstraZeneca's decision to prioritise Britain over the EU following a Belgian production glitch, in what Brussels claims to be a breach of contract. The UK has vaccinated more than eight million people so far, Truss said.

A threat by the EU to unilaterally trigger emergency clauses in its post-Brexit accord with the UK as part of the dispute was "unacceptable" and "very foolish," former Prime Minister Tony Blair told Sky's Sophy Ridge on Sunday. He said the move, which officials have since backtracked on, risked endangering Ireland's 1998 Good Friday Agreement peace deal.

Irish Taoiseach Micheal Martin told the BBC that people had been "blindsided" by the threat and that there were "a lot of lessons to be learned". Even so, he condemned how AstraZeneca has handled its EU vaccine contract so far, indicating that the issue is far from over.

"The point was transparency in terms of the relationship between AstraZeneca and the EU Commission," he said. "There's a very fair point there which cannot be brushed aside either. The problem is the commission took the wrong mechanism in revoking Article 16 of the protocol to deal with it," Martin said. — BLOOMBERG

Thousands held in Russia at rallies in Navalny's support

ASSOCIATED PRESS
Moscow, January 31

CHANTING SLOGANS AGAINST President Vladimir Putin, thousands of people took to the streets Sunday across Russia's vast expanse to demand the release of jailed opposition leader Alexei Navalny, keeping up the nationwide protests that have rattled the Kremlin. Over 1,600 were detained by police, according to a monitoring group.

Russian law enforcement officers detain a participant during a rally in Saint Petersburg on Sunday. REUTERS

Russian authorities mounted a massive effort to stem the tide of demonstrations after tens of thousands rallied across the country last weekend in the largest, most widespread show of discontent that Russia has seen in years. Yet despite threats of jail terms, warnings to social media groups and notable displays of riot police, the protests again engulfed many cities on Sunday.

The 44-year-old Navalny, an anti-corruption investigator who is Putin's best-known critic, was arrested on January 17 upon returning from Germany, where he spent five months recovering from a nerve-agent poisoning that he blames on the Kremlin. Russian authorities have rejected the accusations. He was arrested for allegedly violating his parole conditions by not reporting for meetings with law enforcement when he was recuperating in Germany.

On Sunday, police detained more than 1,600 people at protests held in cities across Russia's 11 time zones, according to OVD-Info, a group that monitors political arrests.

In Moscow, authorities introduced unprecedented security measures in the city centre, closing subway stations near the Kremlin, cutting bus traffic and ordering restaurants and stores to stay closed.

Navalny's team initially called for Sunday's protest to be held on Moscow's Lubyanka Square, home to the main headquarters of the Federal Security Service, which Navalny claims was responsible for his poisoning. After police cordoned off the area around the square, the protest shifted to another central square a mile away. Police deployed in force at that location too, randomly picking up people and putting them into police buses.

But hundreds of others marched across the city centre, chanting "Putin, resign!" and "Putin, thief!", a reference to an opulent Black Sea estate reportedly built for the Russian leader that was featured in a widely popular video released by Navalny's team.

Some later marched to the Matrosskaya Tishina prison, where Navalny is being held, but met phalanxes of riot police who chased them back and detained scores.

Over 300 were detained in Moscow, including Navalny's wife, Yulia, who joined the protest.

The city of Novosibirsk in eastern Siberia saw one of the biggest rallies, with several thousand people marching across the city. About 90 protesters were detained.

An estimated 2,000 marched across Russia's second-largest city of St. Petersburg, and occasional scuffles erupted as some demonstrators pushed back police who tried to make detentions.

In the far eastern port of Vladivostok, more than 100 people were detained after protesters danced on the ice and rallied in the city centre.

As part of a multipronged effort by authorities to block the protests, courts have jailed Navalny's associates and activists across the country over the past week. His brother Oleg, top aide Lyubov Sobol and three other people were put under a two-month house arrest on Friday on charges of allegedly violating coronavirus restrictions during last weekend's protests.

Prosecutors also demanded that social media platforms block calls to join the protests.

The interior ministry has issued stern warnings to the public not to join the protests, saying participants could be charged with taking part in mass riots, which carries a prison sentence of up to eight years. Those engaging in violence against police could face up to 15 years.

Nearly 4,000 people were reportedly detained at demonstrations on January 23 calling for Navalny's release in more than 100 Russian cities, and some were given fines and jail terms. About 20 were accused of assaulting police and faced criminal charges.

China's factory recovery slows in January

REUTERS
Beijing, January 31

CHINA'S FACTORY ACTIVITY grew at the slowest pace in five months in January, hit by a wave of domestic coronavirus infections, but still in line with the ongoing recovery in the world's second-largest economy.

The official manufacturing Purchasing Manager's Index (PMI) fell to 51.3 in January from 51.9 in December, the National Bureau of Statistics said in a statement on Sunday. It remained above the 50-point mark that separates growth from contraction on a monthly basis, but was below the 51.6 expected in a Reuters poll of analyst forecasts.

In January, mainland China

reported more than 2,000 local cases of the coronavirus. While the number was small compared with other countries, there were concerned about transmission risks during the Lunar New Year travel rush — the world's biggest annual human migration spanning 40 days from January to February.

During the month, several large cities were locked down with tens of millions tested for Covid-19, interrupting factory activity and weighing on the services sector, including logistics and transportation.

"The recent localised epidemic has had a certain impact on the production and operation of some enterprises, and the overall expansion of the manufacturing industry has slowed," said Zhao Qinghe, an official at the statistics bureau.

"The period before and after the Lunar New Year is also traditionally an off-season for the country's manufacturing industry," Zhao said in an accompanying statement.

The new coronavirus outbreak, mostly in the north, is expected to be a temporary restraining factor while China's vast industrial sector continues to find strength in resilient export demand.

The official PMI, which largely focuses on big and state-owned firms, showed the sub-index for new export orders stood at 50.2, expanding for the fifth straight month, though down from 51.3 in December.

Economic indicators ranging from trade to producer prices all suggest a further pickup in the industrial sector. A sub-index for small firm activity stood at 49.4 in January, up from December's 48.8.

China's gross domestic product grew 2.3% on year in 2020, making it the only major economy in the world to dodge a contraction last year as many nations struggled to contain the Covid-19 pandemic.

Five attorneys leave Trump impeachment team, says CNN report

MAX ZIMMERMAN
January 31

FIVE ATTORNEYS, INCLUDING Butch Bowers and Deborah Barbier, have left the legal team representing former President Donald Trump in his impeachment trial, CNN reported, citing a person familiar with the changes.

Donald Trump

The departures of Bowers and Barbier, expected to be the lead attorneys, were mutually agreed upon, the broadcaster quoted the person as saying.

Josh Howard, a North Carolina attorney recently added to the team, has also left, the report cited a separate person familiar with the situation as saying. Two other lawyers involved with the case, Johnny Gasser and Greg Harris, have departed, according to CNN.

The attorneys left because of a disagreement over strategy, according to the report. Trump wanted to them to pursue claims that the election was stolen instead challenging the legality of convicting a former president, CNN said. CNN said it had tried to contact the attorneys for comment.

Bowers is best known for helping South Carolina Governor Mark Sanford in 2009 when the Republican-led legislature considered impeachment after he admitted lying to aides about hiking the Appalachian Trail when he was in Argentina with his mistress.

Deborah Barbier is a former federal prosecutor-turned-defence attorney who specialises in white-collar crime. — BLOOMBERG

WHO team visits Wuhan food market in search of coronavirus origin clues

ASSOCIATED PRESS
Wuhan, January 31

A WORLD HEALTH Organization team looking into the origins of the coronavirus pandemic on Sunday visited the seafood market in the Chinese city of Wuhan that was linked to many early infections.

The team members visited the Huanan Seafood Market for about an hour in the afternoon, and one of them flashed a thumbs up sign when reporters asked how the trip was going.

The market was the site of a December 2019 outbreak of the virus. Scientists initially suspected the virus came from wild animals sold in the market. The market has since been largely ruled out, but it could provide hints to how the virus spread so widely.

"Very important site visits today — a wholesale market first & Huanan Seafood Market just now," Peter Daszak, a zoologist with the US group EcoHealth Alliance and a member of the WHO team, said in a

Workers in PPE spray the ground with disinfectant in Baishazhou market during a visit of a WHO team, in Wuhan, China, on Sunday. REUTERS

tweet. "Very informative & critical for our joint teams to understand the epidemiology of COVID as it started to spread at the end of 2019."

Earlier in the day, the team members were also seen walking through sections of the Baishazhou market — one of the largest wet markets in Wuhan — surrounded by a large entourage of Chinese officials and representatives. The market was the food distribution centre for Wuhan during the city's 76-day lockdown last year.

The members, with expertise in veterinary medicine, virology, food safety and epidemiology, have so far visited two hospitals at the centre of the early outbreak — Wuhan Jinyintan Hospital and the Hubei Integrated Chinese and Western Medicine Hospital. On Saturday, they also visited a museum exhibition dedicated to the early history of Covid-19.

The mission has become politically charged, as China seeks to avoid blame for alleged missteps in its early response to the outbreak.

A single visit by scientists is unlikely to confirm the virus's origins. Pinning down an outbreak's animal reservoir is typically an exhaustive endeavour that takes years of research, including taking animal samples, genetic analysis and epidemiological studies.

One possibility is that a wildlife poacher might have passed the virus to traders who carried it to Wuhan. The Chinese government has promoted theories, with little evidence, that the outbreak might have started with imports of frozen seafood tainted with the virus, a notion roundly rejected by international scientists and agencies.

Three HNA units disclose $10-bn embezzlements

REUTERS
Beijing, January 31

THREE UNITS OF HNA, once China's most acquisitive conglomerate, said nearly $10 billion had been embezzled by shareholders, in disclosures to stock exchanges that come amid a government-led probe into the deeply indebted group.

A total of 61.5 billion yuan ($9.57 billion) had been embezzled by shareholders and other related parties, Shanghai-listed Hainan Airlines Holding, HNA Infrastructure Investment Group and Shenzhen-listed CCOOP Group said late on Friday.

The identities of the shareholders were not disclosed in the statements. The three companies and their subsidiaries had also provided non-compliant guarantees for 46.5 billion yuan in financing, according to the statements filed after creditors of their parent applied to a court for the conglomerate to be placed in bankruptcy and restructured.

The move came after a local government-led working team concluded due diligence at HNA earlier in January, and laid out risk disposal plans, enabling it to move to the next stage of resolving a multi-year liquidity crisis.

The government-appointed working team expects as many as 500 companies linked to HNA Group to go into bankruptcy restructuring, Chinese financial magazine Caixin reported on Saturday, citing sources that it did not identify.

Caixin previously reported that HNA owns more than 2,300 companies. HNA was once one of China's most aggressive dealmaking firms. But its tens of billions of dollars in spending drew scrutiny from the Chinese government and overseas regulators.

ANALYSIS

Robinhood, Reddit protected from lawsuits by user agreement, Congress

TOM HALS
January 31

ROBINHOOD MARKETS' USER agreement is likely to protect the brokerage app from a barrage of lawsuits filed by customers after it blocked a frenzied trading rally in companies such as GameStop that was fuelled on social media forums.

The owners of internet platforms where much of the discussion took place are likewise shielded from liability for users' activity under a 25-year-old law known as Section 230. At least a dozen proposed class action lawsuits accuse Robinhood of breaching its contract with customers when it restricted trading on Thursday.

Robinhood's users were at the centre of this week's wild rally in a handful of stocks that had been heavily shorted by hedge funds and championed by individual investors in online chatrooms including Reddit's WallStreetBets.

The lawsuits, brought in federal court, allege that the Menlo Park, California-based company breached its contractual obligation as a regulated broker to execute orders promptly and effectively.

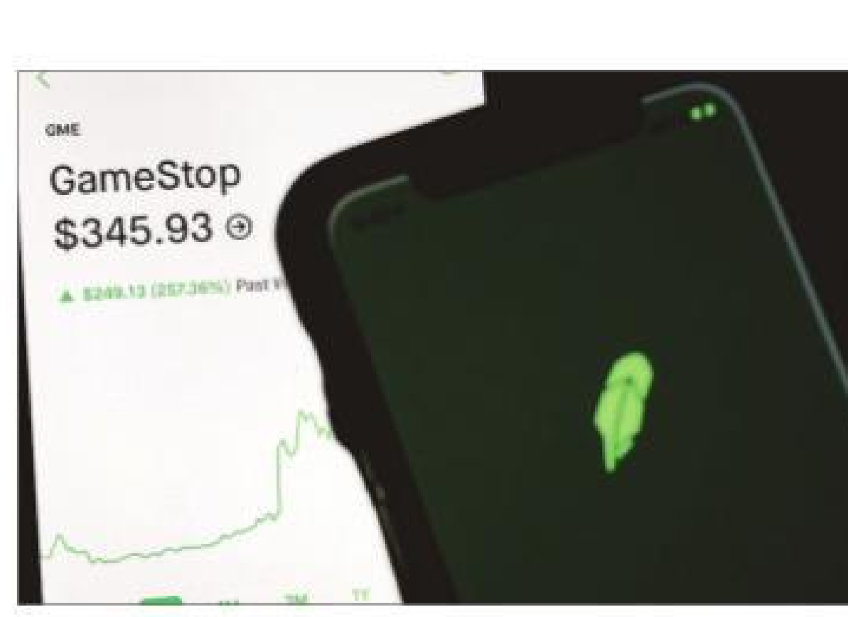
However, Robinhood is not legally bound to carry out every trade and the lawsuits will not succeed without evidence the company restricted trading for an improper reason, such as to favour certain investors, according to several legal experts.

The user agreement on Robinhood's website says it "may at any time, in its sole discretion and without prior notice to Me, prohibit or restrict My ability to trade securities."

Adam Pritchard, a professor at the University of Michigan Law School, said the lawsuits are very unlikely to gain traction. "The contract says they can do it," Pritchard said of the company's decision to restrict trading. "That seems to be a big stumbling block to the breach of contract claim."

Robinhood did not immediately respond to a request for comment.

The popular commission-free trading platform had branded itself as an app to empower retail investors to take on Wall Street and democratise finance, and the trade restrictions sparked an uproar and claims of betrayal on social media.



Robinhood said the restrictions were necessary to comply with regulatory capital requirements and clearing-house deposits, which it said fluctuate with volatility.

The lawsuits allege the restrictions benefited large funds that were allegedly invested in or allied with Robinhood.

But the customers are unlikely to clear preliminary court hurdles to get to the point where they can demand documents and depositions to investigate Robinhood's actions, said Ann Lipton, a professor at Tulane University Law School.

She said attempts to sue brokers for mishandling customer accounts have generally been unsuccessful due to limits that federal securities law places on the filing of class actions. For example, a federal judge in 2019 dismissed a proposed class action against TD Ameritrade Holding for allegedly mismanaging a tax feature of certain accounts.

The judge said TD Ameritrade customers failed to show the company broke promises or acted unfairly or in bad faith.

The lawsuits against Robinhood seek unspecified damages, including punitive damages, which presents another hurdle to the customers' chances in court, according to experts.

It will be hard to prove users suffered as a result of Robinhood's measures because GameStop and other stocks covered by the curbs fell sharply on Thursday after the restrictions were announced, said James Cox, a professor at Duke Law School.

Some of the lawsuits said customers were harmed because they were unable to short GameStop, or speculate the stock would fall.

But some investment firms did take a big hit, and shares in the companies largely rebounded after Robinhood and other online brokerages said they planned to lift most of the restrictions on Friday.

Melvin Capital Management and Citron Capital had placed large bets GameStop would drop in price and suffered huge losses as the stock rallied.

While Reddit users stoked the rally, the message platform is insulated from claims by the investment funds.

Social media companies are generally not liable for user activity under a statute commonly known as Section 230, a 1996 law that was aimed at encouraging new forms of communication at the outset of the online era. — REUTERS

PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF EQUITY SHAREHOLDERS OF

XCHANGING SOLUTIONS LIMITED

FOR DELISTING OF EQUITY SHARES

Corporate Identification Number (CIN): L72200KA2002PLC030072

Registered Office: Kalyani Tech Park, Survey No. 1, 6 & 24, Kundanhalli Village, K R Puram Hobli, Bengaluru, Karnataka, 560066

Tel: +91 80 4364 0000; Fax: +91 80 3386 2888; Email: compliance@xchanging.com; Website: http://www.xchanging.com/investor-relations/xsl-content

This public announcement ("**Public Announcement**") is being issued by DXC Technology India Private Limited ("**Acquirer**") to the public shareholders of Xchanging Solutions Limited ("**Company**") in respect of the proposed acquisition and consequent voluntary delisting of the fully paid up equity shares of the Company with a face value of INR. 10 each ("**Equity Shares**") from the BSE Limited ("**BSE**"), the National Stock Exchange of India Limited ("**NSE**") (collectively referred to as the "**Stock Exchanges**") pursuant to Regulation 10 and other applicable provisions of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 ("**Delisting Regulations**") and in accordance with the terms and conditions set out below and/or in Letter of Offer (*defined below*) ("**Delisting Offer**"). The Equity Shares are also currently 'permitted to trade' on the Metropolitan Stock Exchange of India Limited ("**MSEIL**"). Pursuant to the successful Delisting Offer, the 'permitted to trade' status given to Equity Shares of the Company by the MSEIL shall stand withdrawn.

1. BACKGROUND OF THE DELISTING OFFER

1.1. The Company is a public limited company incorporated in accordance with the provisions of the Companies Act, 1956, having its registered office at Kalyani Tech Park, Survey No. 1, 6 & 24, Kundanhalli Village, K R Puram Hobli, Bengaluru, Karnataka, 560066. The Equity Shares are listed on the Stock Exchanges.

1.2. As on the date of this Public Announcement, the Acquirer, holds 42,01,162 Equity Shares representing 3.77% of the paid-up equity share capital of the Company and the members of the promoter/promoter group of the Company collectively hold 8,35,52,787 Equity Shares aggregating to 75.00% of the paid-up equity share capital of the Company. The Acquirer is a member of the promoter/promoter group of the Company.

1.3. The Acquirer is making this Public Announcement to acquire up to 2,78,50,929 Equity Shares ("**Offer Shares**") representing 25.00% of the total issued equity share capital of the Company from the public shareholders (i.e. shareholders other than the Acquirer and other members of the promoter/promoter group of the Company) ("**Public Shareholders**") pursuant to Regulations 5 and 6(b) of the Delisting Regulations read with Chapter IV of the Delisting Regulations. If the Delisting Offer is successful as defined in paragraph 12 read along with paragraph 13 of this Public Announcement, an application will be made for delisting the Equity Shares from the Stock Exchanges in accordance with the provisions of the Delisting Regulations and the terms and conditions set out below and in the Letter of Offer, and any other documents relating to the Delisting Offer. Consequently, the Equity Shares shall be voluntarily delisted from the Stock Exchanges and the 'permitted to trade' status from MSEIL given to the Equity Shares of the Company will stand withdrawn.

1.4. Pursuant to a letter dated August 5, 2020 ("**Offer Letter**"), the Acquirer, conveyed its intention to make the Delisting Offer to acquire, either individually or along with one or more members of the promoter/promoter group of the Company, the Offer Shares and to delist the Equity Shares from the Stock Exchanges in accordance with the Delisting Regulations and requested the board of directors of the Company ("**Board**") to, *inter alia*, (a) take all actions as may be required to be undertaken by the Company in terms of the Delisting Regulations including *inter-alia* the appointment of a merchant banker to undertake due diligence and provide necessary information for the due diligence making the relevant applications to the Stock Exchanges and any other regulatory authorities, as may be required in connection with Delisting Regulations; (b) convene a meeting of the Board to consider and approve the delisting proposal, as required under the Delisting Regulations; (c) take necessary steps to convene a meeting of the shareholders to approve the delisting proposal in accordance with the Delisting Regulations; and (d) obtain in-principle approval from the Stock Exchanges for the proposed delisting of Equity Shares. The receipt of the Offer Letter was intimated by the Company to the Stock Exchanges on August 5, 2020.

1.5. Pursuant to the intimation received from the Acquirer, the Board in its meeting held on August 13, 2020 *inter-alia* transacted the following:

(i) considered and took on record the Offer Letter; and

(ii) approved the appointment of Saffron Capital Advisors Private Limited ("**Merchant Banker**"), as the merchant banker, in accordance with Regulation 8(1A)(ii) of the Delisting Regulations, for the purposes of carrying out the due diligence in accordance with Regulation 8(1A)(iii), Regulation 8(1A)(iv), Regulation 8(1D) and other relevant provisions of the Delisting Regulations (the "**Due Diligence**");

(iii) took on record the certificate provided by S. L. Gadhiya & Co., Chartered Accountants (Membership number 000839S), independent chartered accountant, which sets out the floor price of the Delisting Offer ("**Floor Price**") to be ₹ INR 44.64 per Equity Share.

The outcome of the Board meeting on August 13, 2020 was notified to the Stock Exchanges on the same day.

1.6. The Company notified the Stock Exchanges on August 24, 2020, that a meeting of the Board is to be held on August 28, 2020 in order to (i) take on record and consider the Due Diligence report to be prepared and submitted by the Merchant Banker; and (ii) take a decision on the voluntary delisting proposal submitted by the Acquirer *vide* the Offer Letter.

1.7. The Board, in its meeting held on August 28, 2020, *inter-alia*, took the following decisions:

(i) The Board took on record the Due Diligence report dated August 28, 2020 submitted by the Merchant Banker in accordance with Regulations 8(1A)(iii), 8(1A)(iv), 8(1D) and other relevant provisions of the Delisting Regulations;

(ii) The Board confirmed that: (a) the Company is in compliance with the applicable provisions of securities laws; (b) the Acquirer, members of the promoter/ promoter group of the Company, and their related entities are in compliance with sub- regulation (5) of Regulation 4 of the Delisting Regulations; and (c) the proposed delisting is in the interest of the shareholders of the Company;

(iii) The Board approved the Delisting Offer in terms of Regulation 8(1)(a) of the Delisting Regulations subject to approval of the shareholders of the Company through a postal ballot in accordance with the Delisting Regulations and subject to any other requirement under applicable laws, including any conditions as may be prescribed or imposed by any authority while granting any approvals; and

(iv) The Board approved the draft of the notice and the accompanying explanatory statement to the shareholders in the form of postal ballot ("**Postal Ballot Notice**") for seeking their consent for the proposed delisting as well as authorized certain identified personnel to dispatch the Postal Ballot Notice, for taking necessary steps to finalize the draft notice and the accompanying explanatory statement and for undertaking allied and incidental matters in relation to the postal ballot exercise.

The outcome of the Board meeting on August 28, 2020 was notified to the Stock Exchanges on the same day.

1.8. The Postal Ballot Notice was dispatched on September 4, 2020. The shareholders of the Company passed a special resolution through postal ballot, the result of which was declared on October 5, 2020, approving the Delisting Offer in accordance with Regulation (8)(1)(b) of the Delisting Regulations and other applicable laws. The Company notified the result of postal ballot to the Stock Exchanges on October 5, 2020. The votes cast by the Public Shareholders in favour of the Delisting Offer were 1,31,32,679, which are more than twice the number of votes cast by the Public Shareholders against the Delisting Offer, being 2,85,618.

1.9. The Acquirer, in the Letter dated October 23, 2020 has informed the Company of its willingness to accept Equity Shares tendered by the Public Shareholders in the Delisting Offer at a price of INR 56.50 per Equity Share ("**Indicative Offer Price**").

The Indicative Offer Price should in no way be construed as:

(a) A maximum or minimum price for the purpose of the reverse book building process and the Public Shareholders are free to tender their equity shares at any price irrespective of the Indicative Offer Price, in accordance with the Delisting Regulations; or

(b) Any restriction on the ability of the Acquirer to acquire Equity Shares at a price higher than the Indicative Offer Price.

Further, it may be noted that Acquirer reserves the right to reject the final price discovered through the reverse book building process in terms of the Delisting Regulations if it is higher than the Indicative Price.

1.10. BSE and NSE have issued their in-principle approvals to the Delisting Offer subject to compliance with the Delisting Regulations, pursuant to their letters dated January 29, 2021, in accordance with Regulation 8(3) of the Delisting Regulations.

1.11. This Public Announcement is being issued in the following newspapers as required under Regulation 10(1) of the Delisting Regulations:

Newspaper	Language	Edition
Financial Express	English	All Editions
Jansatta	Hindi	All Editions
Navshakti	Marathi	Mumbai
Hosa Dignatha	Kannada	Bengaluru

1.12. The Acquirer will inform the Public Shareholders of amendments or modifications, if any to the information set out in this Public Announcement by way of a corrigendum that will be published in the aforementioned newspapers in which this Public Announcement is published.

1.13. The Delisting Offer is subject to the acceptance of the Discovered Price (*defined below*), determined in accordance with the Delisting Regulations, by the Acquirer. The Acquirer may also, at its sole and absolute discretion, propose: (a) a price higher than the Discovered Price for the purposes of the Delisting Offer; or (b) a price which is lower than the Discovered Price but not less than the book value of the Company as certified by the merchant banker in terms of Regulation 16(1A) of the Delisting Regulations ("**Counter Offer Price**"). The "**Exit Price**" shall be: (i) the Discovered Price, if accepted by the Acquirer; or (ii) a price higher than the Discovered Price, if offered by the Acquirer at its absolute discretion; or (iii) the Counter Offer Price offered by the Acquirer at its discretion which, pursuant to acceptance and/or rejection by the Public Shareholders, results in the cumulative shareholding of the Acquirer, along with the other members of the promoter/promoter group of the Company reaching 90.00% of the equity share capital of the Company.

2. NECESSITY AND OBJECTIVE OF THE DELISTING OFFER

2.1. Following are the main objectives of the Delisting Offer, as specified by the Acquirer in the Offer Letter:

(i) elimination of the on-going expenses of the Company in maintaining a listing on the Stock Exchanges, including investor relations expenses associated with continued listing which will cease once the delisting is effective;

(ii) reduction of the need to dedicate management time to comply with the requirements associated with the continued listings and the needs of the Public Shareholders, which can be refocused on the Company's business; and

(iii) delisting of the Company's equity shares from the Stock Exchanges will allow the promoter group of the Company to obtain full ownership and control of the Company, which will provide the promoter group of the Company with increased operational flexibility to support the Company's business and future financing needs.

3. BACKGROUND OF THE ACQUIRER

3.1. Acquirer – DXC Technology India Private Limited

(i) The Acquirer is a private limited company with limited liability incorporated under the Companies Act, 1956. The CIN of the Acquirer is U72900TN2015FTC102489. The registered office of the Acquirer is situated at Unit 13, Block 2, SDF Buildings, MEPZ SEZ Tambaram Chennai Tamil Nadu - 600045.The details of the name change of the Acquirer are provided below:

Original Name	Changed Name	Date of certificate issued by the Registrar of Companies
CSC Technologies India Private Limited	DXC Technology India Private Limited	July 14, 2017

(ii) The Acquirer is promoter of the Company and a part of the DXC group. The Acquirer is under the ultimate control of DXC Technology Company, a company incorporated in the State of Nevada, United States of America. Acquirer along with its subsidiaries provides software development services, IT infrastructure service solutions and application services.

(iii) The shareholding pattern of the Acquirer as on the date of the Public Announcement is as follows:

Sr. No.	Name of the Shareholders	Number of shares	Shareholding %
1.	DXC Technology Singapore Pte. Ltd	129,364,807	99.99
2.	Mynd Corporation (Nominee shareholder of DXC Technology Singapore Pte. Ltd)	1	0.00

(iv) The shares of the Acquirer are not listed on any stock exchange in India or overseas. Select extracts of the consolidated audited financials of the Acquirer for the financial years ended March 31, 2018, March 31, 2019 and March 31, 2020, being the last three financial years, for which audited financials are available are as follows:

(Amount in lakhs except earnings per share data)

Particulars	Year ended March 31, 2020 (Audited)	Year ended March 31, 2019 (Audited)	Year ended March 31, 2018 (Audited)
Equity share capital	12,936	12,936	12,936
Other Equity	224,105	192,473	1,61,141
Net worth	**237,041**	**205,410**	**1,74,077**
Non-Current Liabilities	49,296	7,350	5,803
Current Liabilities	37,689	37,290	57,946
Total Equity and Liabilities	**324,026**	**250,050**	**2,37,826**
Non-Current Assets	159,794	97,263	1,06,114
Cash and Cash Equivalents	130,376	53,067	23,850
Other Current Assets	33,856	99,720	1,07,862
Total Assets	**324,026**	**250,050**	**2,37,826**
Revenue from operations	225,618	241,043	2,65,115
Other Income	10,370	7,055	5,171
Total Revenue	**235,988**	**248,098**	**2,70,286**
Total Expenses	195,052	200,698	2,31,055
Profit before tax	40,936	47,400	39,231
Profit for the year	**31,070**	**30,849**	**27,609**
Other Comprehensive Income	60	873	(143)
Total Comprehensive Income	**31,130**	**31,722**	**27,466**
Basic EPS (₹ per share)	24.02	23.85	21.34
Diluted EPS (₹ per share)	24.02	23.85	21.34

Source: Certificate dated January 30, 2021 issued by by S.L. Gadhiya, Chartered Accountants.

(v) As on the date of the Public Announcement, the Acquirer holds 42,01,162 Equity Shares representing 3.77% of the equity share capital of the Company. The directors of the Acquirer do not hold any Equity Shares. Neither the Acquirer nor its directors have any interest in the Company other than as stated herein.

(vi) The Acquirer has, as detailed in paragraph 19 of this Public Announcement, made available all the requisite funds necessary to fulfil the obligations of the Acquirer under the Delisting Offer.

3.2. The Acquirer and other members of the promoter/promoter group of the Company have not traded in the Equity Shares of the Company during the 6 (six) months preceding the date of the Board meeting (i.e. August 28, 2020) at which the Delisting Offer was approved. Further, the Acquirer and all the other members of the promoter/promoter group of the Company have not sold any Equity Shares from August 28, 2020 (i.e., date of the meeting of the Board at which the Delisting Offer was approved) till date and shall not sell any Equity Shares until completion of the Delisting Offer process, in accordance with Regulation 10(7) of the Delisting Regulations.

3.3. The Acquirer has not been prohibited by the Securities and Exchange Board of India ("**SEBI**") from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992 ("**SEBI Act**") or any other regulations made under the SEBI Act.

3.4. The Acquirer hereby invites all the Public Shareholders to bid in accordance with the reverse book building process of the Stock Exchanges and on the terms and subject to the conditions set out herein, all of their Equity Shares, being 2,78,50,929 Equity Shares representing 25.00% of the paid up share capital of the Company.

3.5. The directors of the Acquirer do not hold any shares in the Company.

4. BACKGROUND OF THE COMPANY

4.1. The Company was incorporated on February 1, 2002 as Scandent Network Private Limited under the provisions of the Companies Act, 1956, as amended. The name of the Company has been changed on multiple occasions. The details of the name change of the Company are provided below:

Original Name	Changed Name	Date of certificate issued by the Registrar of Companies
Scandent Network Private Limited.	Scandent Solutions Corporation Private Limited	October 1, 2004
Scandent Solutions Corporation Private Limited	Scandent Solutions Corporation Limited	October 13, 2004
Scandent Solutions Corporation Limited	Cambridge Solutions Limited	June 19, 2006
Cambridge Solutions Limited	Xchanging Solutions Limited	June 11, 2012

4.2. The Corporate Identification Number of the Company is L72200KA2002PLC030072. The registered office of the Company is located at Kalyani Tech Park - Survey no 1, 6 & 24, Kundanhalli Village, K R Puram Hobli, Bangalore – 560066, Karnataka, India. Tel.: +91-80-30540000. The Equity Shares are listed on the Stock Exchanges and are currently 'permitted to trade' on MSEIL.

4.3. The Company is an IT services provider with operations in India and an international presence established through subsidiaries in USA, Singapore, UK and Malaysia.

4.4. As on the date of this Public Announcement, the authorized share capital of the Company is INR 12,50,00,000 divided into 1,25,00,000 Equity Shares. The issued, subscribed and paid-up capital of the Company is INR 111,40,37,160 divided into 11,14,03,716 Equity Shares.

4.5. As on date of this Public Announcement, the Company does not have any partly paid-up shares or convertible securities in the nature of warrants or fully or party convertible debentures / preference shares, etc. or employee stock options which are convertible to Equity Shares at a later date. The Equity Shares held by the members of the promoter/promoter group of the Company are not locked in.

4.6. The details of the Board as on date of this Public Announcement is as follows:

Name and DIN	Designation as on date of Public Announcement	Date of Appointment	No of Equity Shares Held
Chandrasekhara Rao Boddoju (DIN: 08185777)	Managing Director and Chief Executive Officer	August 9, 2018	Nil
Henry D'Souza (DIN: 00276157)	Independent Director	February 29, 2012	Nil
Venkatesh Shastry Venkatasubba Ramanandashastry (DIN: 08277771)	Independent Director	November 15, 2018	Nil
Nonavinakeri Srinivasaiyengar Rama (DIN: 06720033)	Independent Director	April 1, 2019	Nil
Gidugu Tatavarti Kalpana (DIN: 06644105)	Non-Executive Director	March 27, 2018	Nil
Shrenik Kumar Champalal (DIN: 08099410)	Whole Time Director and Chief Financial Officer	March 31, 2018	1

4.7. A brief summary of the consolidated financials of the Company for the years ended March 31, 2018, March 31, 2019 and March 31, 2020 and for the half year ended September 30, 2020 is provided below:

(Amount in lakhs except per share data)

Particulars	HY Ended September 30, 2020 (Unaudited Limited Review)	Year ended March 31, 2020 (Audited)	Year ended March 31, 2019 (Audited)	Year ended March 31, 2018 (Audited)
Equity share capital	11,140	11,140	11,140	11,140
Other Equity	41,497	38,470	32,182	27,218
Net worth	52,637	49,610	43,322	38,358
Non-Current Liabilities	600	451	303	344
Current Liabilities	7,095	7,232	7,708	8,095
Total Equity and Liabilities	60,332	57,293	51,333	46,797
Non-Current Assets	18,675	18,399	19,917	20,256
Cash and Cash Equivalents	36,399	32,588	25,691	7,352
Other Current Assets	5,258	6,306	5,725	19,189
Total Assets	60,332	57,293	51,333	46,797
Revenue from operations	10,324	18,226	18,410	18,590
Other Income	1,163	1,268	1,455	1,577
Total Revenue	11,487	19,494	19,865	20,167
Total Expenses	7,462	13,565	14,185	16,106
Profit before tax	4,025	5,929	5,680	4,061
Profit for the year	3,354	5,470	4,671	3,164
Other Comprehensive Income	(327)	818	293	203
Total Comprehensive Income	3,027	6,288	4,964	3,367
Basic EPS (₹ per share)	3.01	4.91	4.19	2.84
Diluted EPS (₹ per share)	3.01	4.91	4.19	2.84
Book Value (₹ per share)	47.25	44.53	38.89	34.43

Source: Certificate dated January 30, 2021 issued by S.L. Gadhiya, Chartered Accountants.

5. PRE AND POST CAPITAL STRUCTURE AND SHAREHOLDING PATTERN OF THE COMPANY

5.1. The capital structure of the Company as on the date of the Public Announcement is as follows:

Paid-up Equity Shares of Company	No. of Equity Shares/ Voting Rights	% of Share Capital/ Voting Rights
Fully paid-up Equity Shares	11,14,03,716	100
Partly paid-up Equity Shares	-	-
Total paid-up Equity Shares	11,14,03,716	100
Total	**11,14,03,716**	**100**

5.2. The shareholding pattern of the Company as on January 29, 2021 is as follows:

Particulars	No. of Equity Shares	Shareholding (%)
Promoter and promoter group (A)	***8,35,52,787***	***75.00***
- Individuals	0	0.00
- Body corporate	8,35,52,787	75.00
Public Shareholders (B)	***2,78,50,929***	***25.00***
- Mutual funds	300	0.00
- Alternative investment funds	47,61,221	4.27
- Foreign portfolio investors	2,53,247	0.23
- Individuals	1,09,28,223	9.81
- Non-resident Indians	83,377	0.07
- Non-resident Indians (Non Repatriable)	1,05,025	0.09
- Bodies corporate	69,76,303	6.26
- Overseas Corporate Bodies	300	0.00
- Clearing member	1,14,277	0.10
- Hindu Undivided Family	12,01,035	1.08
- Banks and NBFC	100	0.00
- Employees	3,014	0.00
- Foreign Nationals	12,437	0.01
- Qualified Institutional Buyer	4,03,782	0.36
- Trust	1	0.00
FOREIGN BODIES	30,08,287	2.70
Total ((A) + (B))	**11,14,03,716**	**100.00**

5.3. The post delisting capital structure of the Company is not going to change upon successful completion of the Delisting Offer. However, the likely post-delisting shareholding assuming successful completion of the Delisting Offer in terms of the Delisting Regulations is as follows:

Particulars	No. of Equity Shares*	Shareholding (%)*
Promoter and promoter group (A)	11,14,03,716	100.00
- Individuals	-	-
- Body corporate	11,14,03,716	100.00
Public Shareholders (B)	-	-
Total ((A) + (B))	**11,14,03,716**	**100.00**

**Assuming full tender by all the Public Shareholders*

6. STOCK MARKET DATA

6.1. The Equity Shares are listed on the Stock Exchanges.

6.2. The high, low and average market prices of the Equity Shares (in Indian Rupees per Equity Share) for the 3 financial years and 6 months preceding the date of publication of this Public Announcement and the corresponding volumes on the Stock Exchanges are as follows:

Contd.

(i) **BSE**

Period	High[1] (₹)	Date of High[2]	Number of Equity Shares traded on that date	Low[1] (₹)	Date of Low[2]	Number of Equity Shares traded on that date	Average Price[1] (₹)	Number of Equity Shares traded in the period
Preceding 3 years								
FY2017-18	71.00	13-Oct-17	1,86,949	48.00	21-Apr-17	10,153	59.27	48,68,766
FY2018-19	65.00	06-Aug-18	1,44,967	33.60	11-Oct-18	643	48.53	9,94,987
FY2019-20	65.00	27-Jan-20	1,05,434	25.00	24-Mar-20	717	50.53	13,27,171
Preceding 6 months								
Aug-20	79.60	27-Aug-20	17,701	47.20	03-Aug-20	2,360	67.31	7,06,031
Sep-20	99.00	29-Sep-20	30,591	66.15	02-Sep-20	5,667	82.15	4,36,907
Oct-20	99.70	05-Oct-20	18,391	64.00	27-Oct-20	90,763	86.51	8,35,350
Nov-20	85.75	27-Nov-20	16,005	66.55	10-Nov-20	54,307	73.21	3,20,846
Dec-20	92.20	29-Dec-20	1,57,497	75.60	21-Dec-20	75,462	82.78	7,78,135
Jan-21	96.05	18-Jan-21	1,61,448	79.45	28-Jan-21	21,766	86.25	8,20,371

Source: www.bseindia.com

Notes:

(1) High and low price for the period are based on intra-day prices and average price is based on average of closing price.

(2) In case where the same price falls on 2 (two) or more days, the day with the highest traded shares is considered.

(ii) **NSE**

Period	High[1] (₹)	Date of High[2]	Number of Equity Shares traded on that date	Low[1] (₹)	Date of Low[2]	Number of Equity Shares traded on that date	Average Price(1) (₹)	Number of Equity Shares traded in the period
Preceding 3 years								
FY2017-18	70.95	03-Oct-17	2,15,671	47.60	12-Apr-17	43,783	59.26	1,48,70,853
FY2018-19	64.90	06-Aug-18	4,08,430	34.10	04-Oct-18	22,239	48.37	38,33,019
FY2019-20	64.90	27-Jan-20	11,89,451	24.90	24-Mar-20	39,347	50.53	1,25,57,979
Preceding 6 months								
Aug-20	78.70	27-Aug-20	1,37,388	47.40	04-Aug-20	61,651	67.28	77,93,196
Sep-20	98.90	29-Sep-20	2,20,733	71.10	02-Sep-20	62,338	82.18	46,29,246
Oct-20	98.85	01-Oct-20	1,89,825	67.50	27-Oct-20	6,31,418	86.45	35,72,432
Nov-20	86.00	27-Nov-20	2,02,374	67.25	10-Nov-20	2,55,745	73.43	33,40,701
Dec-20	92.00	29-Dec-20	24,11,621	75.10	04-Dec-20	2,23,343	82.77	1,08,86,860
Jan-21	96.00	18-Jan-21	22,85,078	79.30	28-Jan-21	1,04,576	86.30	76,12,303

Source: www.nseindia.com

Notes:

(1) High and low price for the period are based on intra-day prices and average price is based on average of closing price.

(2) In case where the same price falls on 2 (Two) or more days, the day with the highest traded shares is considered.

7. STOCK EXCHANGES FROM WHICH THE EQUITY SHARES ARE SOUGHT TO BE DELISTED

7.1. The Equity Shares are listed and traded on the Stock Exchanges. The Equity Shares are also 'permitted to trade' on the MSEIL.

7.2. The Acquirer is seeking to delist the Equity Shares from the Stock Exchanges. The 'in-principle' approval from the BSE and NSE was obtained on January 29, 2021.

7.3. No application for listing shall be made in respect of any Equity Shares which have been delisted pursuant to this Delisting Offer for a period of 5 years from the date of delisting except where a recommendation in this regard has been made by the Board for Industrial and Financial Reconstruction under the Sick Industrial Companies (Special Provisions) Act, 1985 or the Company has undergone a corporate insolvency resolution process under the Insolvency and Bankruptcy Code, 2016.

7.4. Any application for listing made in future by the Company after the aforementioned period in respect of delisted Equity Shares shall be deemed to be an application for fresh listing of such Equity Shares and shall be subject to the then prevailing laws relating to listing of equity shares of unlisted companies.

7.5. The Acquirer proposes to acquire the Offer Shares pursuant to a reverse book building process through an acquisition window facility, i.e., separate acquisition window in form of web based bidding platform provided by BSE and NSE, in accordance with the stock exchange mechanism (the "**Acquisition Window Facility**" or "**Offer to Buy (OTB)**"), conducted in accordance with the terms of the Delisting Regulations and the SEBI Circulars (*defined below*).

8. MANAGER TO THE DELISTING OFFER

8.1. The Acquirer has appointed the following as the manager to the Delisting Offer ("**Manager to the Offer**"):

JM Financial Limited
7th Floor Cnergy, Appasaheb Marathe Marg,
Prabhadevi, Mumbai - 400025
Tel. No. +91-22-66303030, +91 (22) 6630 3262;
Fax No. +91-22-66303330
E mail: xchanging.delisting@jmfl.com
Contact Person: Ms. Prachee Dhuri

9. REGISTRAR TO THE DELISTING OFFER

9.1. The Acquirer has appointed KFin Technologies Private Limited (formerly known as "Karvy Fintech Private Limited"), bearing CIN: U72400TG2017PTC117649 and having its registered office at Plot No- 31 and 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi 500 032 Telangana, India as the Registrar to the Delisting Offer ("**Registrar to the Offer**").

10. DETERMINATION OF THE FLOOR PRICE

10.1. The Acquirer proposes to acquire the Equity Shares from the Public Shareholders pursuant to a reverse book–building process established in terms of Schedule II of the Delisting Regulations.

10.2. The annualized trading turnover based on the trading volume in the Equity Shares on the Stock Exchanges, based on the information available on the website of the Stock Exchanges during August 1, 2019 to July 31, 2020 (twelve calendar months preceding the calendar month of the Reference Date (*defined below*) are as under:

Name of the Stock Exchange	Total traded turnover (quantity) from August 1, 2019 to July 31, 2020	Total no. of Equity Shares outstanding as at July 31, 2020	Annualized trading Turnover (%)
BSE	14,31,225	11,14,03,716	1.28%
NSE	124,08,347	11,14,03,716	11.14%

Source: www.bseindia.com; www.nseindia.com

10.3. The Equity Shares are listed on the Stock Exchanges and are frequently traded on NSE as per the definition of 'frequently traded shares' set out in Regulation 2(1)(j) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("**Takeover Regulations**").

10.4. Regulation 15(2) of the Delisting Regulations provides that the floor price shall be determined in terms of Regulation 8 of the Takeover Regulations. As per the Explanation to Regulation 15(2) of the Delisting Regulations, the reference date for computing the floor price would be the date on which the recognized stock exchanges were notified of the board meeting in which the delisting proposal would be considered, i.e., August 5, 2020 ("**Reference Date**").

10.5. Accordingly, in terms of the Regulation 8 of the Takeover Regulations, the floor price shall be higher of the following:

Sr. No.	Particulars	Price (In INR Per Share)
(a)	the highest negotiated price per Equity Share of the Company for any acquisition under the agreement attracting the obligation to make a public announcement of an open offer	Not Applicable
(b)	the volume weighted average price paid or payable for acquisitions, whether by the Acquirer or by any person acting in concert with him, during the fifty-two weeks immediately preceding the Reference Date.	Not Applicable
(c)	the highest price paid or payable for any acquisition, whether by the Acquirer or by any person acting in concert with him, during the twenty six weeks immediately preceding the Reference Date	Not Applicable
(d)	the volume-weighted average market price of such Equity Shares for a period of sixty trading days immediately preceding the Reference Date, as traded on the stock exchange where the maximum volume of trading in the Equity Shares is recorded during such period	INR 44.64
(e)	where the shares are not frequently traded, the price determined by the Acquirer and the Manager to the Offer taking into account valuation parameters including, book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies	Not Applicable
(f)	the per share value computed under Regulation 8(5) of the Takeover Regulations, if applicable	Not Applicable

Source: Certificate dated August 12, 2020 issued by S.L. Gadhiya, Chartered Accountants

10.6. The Company on August 12, 2020, received a certificate from S.L. Gadhiya, Chartered Accountants certifying the Floor Price for the Delisting Offer to be INR 44.64 computed in accordance with the Delisting Regulations. The Floor Price was notified to the Stock Exchanges as part of the outcome of the Board meeting dated August 13, 2020.

11. DETERMINATION OF DISCOVERED PRICE AND EXIT PRICE

11.1. The Acquirer proposes to acquire the Offer Shares pursuant to a reverse book-building process through Acquisition Window Facility in accordance with paragraph 14 of this Public Announcement.

11.2. All Public Shareholders can tender their Equity Shares during the Bid Period (*defined below*).

11.3. The minimum price per Offer Share payable by the Acquirer for the Offer Shares it acquires pursuant to the Delisting Offer, as determined in accordance with the Delisting Regulations, will be the price at which the shareholding of the Acquirer along with other members of the promoter/promoter group of the Company reaches 90.00% pursuant to a reverse book-building process through Acquisition Window Facility (*defined below*) conducted in the manner specified in Schedule II of the Delisting Regulations ("**Discovered Price**").

11.4. The Acquirer is under no obligation to accept the Discovered Price. The Acquirer may at its discretion, acquire the Equity Shares at the Discovered Price or offer a price higher than the Discovered Price, (at its absolute discretion); or make a counter offer at the Counter Offer Price in accordance with the Delisting Regulations. The "**Exit Price**" shall be: (i) the Discovered Price, if accepted by the Acquirer; or (ii) a price higher than the Discovered Price, if offered by the Acquirer at its absolute discretion; or (iii) the Counter Offer Price offered by the Acquirer at its discretion which, pursuant to acceptance and/or rejection by the Public Shareholders, results in the cumulative shareholding of the Acquirer and other members of the promoter/promoter group of the Company reaching 90.00% of the equity share capital of the Company.

11.5. The Acquirer shall announce the Discovered Price and its decision to accept or reject the Discovered Price or make a counter offer. If accepted, the Acquirer shall also announce the Exit Price, as applicable, in the same newspapers in which this Public Announcement appears in accordance with the schedule of activities set out in paragraph 20 of this Public Announcement.

11.6. Once the Acquirer announces the Exit Price, the Acquirer will acquire, subject to the term and conditions of this Public Announcement and the Letter of Offer including but not limited to fulfilment of the conditions mentioned in paragraph 12 below, all the Equity Shares validly tendered up to and equal to the Exit Price for a cash consideration equal to the Exit Price for each Equity Share tendered. The Acquirer will not accept Equity Shares tendered at a price that exceeds the Exit Price.

11.7. If the Acquirer does not accept the Discovered Price then subject to circulars or notifications issued by SEBI with respect to the process provided under Regulation 16(1A) of the Delisting Regulations, the Acquirer may, at its sole discretion, make a counter offer to the Public Shareholders within 2 working days of the determination of the Discovered Price, in the manner specified by the SEBI.

11.8. If the Acquirer does not accept the Discovered Price and does not make counter offer to the Public Shareholders in terms of Regulation 16(1A) of the Delisting Regulations, or the Delisting Offer fails in terms of Regulation 17 of the Delisting Regulations:

(i) the Acquirer will have no right or obligation to acquire any Equity Shares tendered pursuant to the Delisting Offer;

(ii) the Equity Shares tendered by a Public Shareholder shall be returned or the lien on the Equity Shares will be released to such Public Shareholder within 10 working days from the Bid Closing Date (*defined below*) in terms of the schedule of activities set out herein;

(iii) no final application shall be made to the Stock Exchanges for delisting of the Equity Shares; and

(iv) the Escrow Account (*as defined below*) opened in accordance with Regulation 11 of the Delisting Regulations shall be closed and the Escrow Amount (*as defined below*) shall be released.

12. CONDITIONS TO THE DELISTING OFFER

The acquisition of the Equity Shares by the Acquirer and the delisting of the Company are conditional upon:

12.1. The Acquirer, in its sole and absolute discretion, either accepting the Discovered Price or offering a price higher than the Discovered Price or offering a Counter Offer Price which, pursuant to acceptance and/ or rejection by Public Shareholders, results in the shareholding of the members of the promoter/ promoter group of the Company reaching 90.00% of the paid-up equity share capital of the Company. It may be noted that notwithstanding anything contained in the Public Announcement, the Acquirer reserves the right to accept or reject the Discovered Price;

12.2. A minimum number of 1,67,10,558 Offer Shares being tendered at or below the Exit Price, so as to cause the cumulative number of the Equity Shares held by the Acquirer along with other members of the promoter/ promoter group as on date of this Public Announcement taken together with the Equity Shares acquired by the Acquirer under the Delisting Offer to be equal to or in excess of 10,02,63,345 Equity Shares constituting 90.00% of the equity share capital of the Company ("**Minimum Acceptance Condition**");

12.3. A minimum number of 4,287 Public Shareholders (25.00 % of number of Public Shareholders holding shares in dematerialized form as on August 28, 2020) participate in the reverse book building process, in accordance with Regulation 17(b) of the Delisting Regulations, provided that if the Acquirer and the Manager to the Offer demonstrate to the Stock Exchanges that they have delivered the Letter of Offer to all the Public Shareholders either through registered post or speed post or courier or hand delivery with proof of delivery or through email as a text or as an attachment to email or as a notification providing electronic link or uniform resource locator including a read receipt ("**LoF Delivery Requirement**"), then the mandatory participation of aforementioned number of Public Shareholders is not applicable. Pursuant to Explanation I to Regulation 17(1)(b) of the Delisting Regulations, the LoF Delivery Requirement is deemed to have been complied with if: (a) the Acquirer or the Manager to the Offer dispatches the Letter of Offer to all the Public Shareholders of the Company by registered post or speed post through the India Post and is able to provide a detailed account regarding the status of delivery of the Letter of Offer (whether delivered or not) sent through India Post; and (b) efforts have been made by the Acquirer or the Manager to the Offer to dispatch the Letter of Offer by speed post or registered post of India Post to those Public Shareholders to whom the delivery of the Letter of Offer has not been possible by modes other than speed post or registered post of India Post, provided that the Acquirer or the Manager to the Offer are able to provide a detailed account regarding the status of delivery of the Letter of Offer (whether delivered or not) sent through India Post;

12.4. The Acquirer obtaining all requisite regulatory approvals in accordance with paragraph 21 of this Public Announcement and meeting the conditions set out in Regulation 17 of the Delisting Regulations; and

12.5. There being no amendments to the Delisting Regulations or any applicable laws or regulations or conditions imposed by any regulatory or statutory authority/body or order from a court or competent authority which would in sole opinion of the Acquirer, prejudice the Acquirer in proceeding with the Delisting Offer. Provided that withdrawal on this count shall be subject to receipt of regulatory approval, if any required for the same.

13. DISCLOSURE REGARDING THE MINIMUM ACCEPTANCE CONDITION FOR SUCCESS OF THE DELISTING OFFER

13.1. As per Regulation 17 of the Delisting Regulations, the Delisting Offer shall be deemed to be successful if the condition stated in paragraphs 12.2 and 12.3 above are satisfied.

14. ACQUISITION WINDOW FACILITY

14.1. SEBI, vide its circular /CFD/POLICYCELL/1/2015 dated April 13, 2015 read with circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 ("**SEBI Circulars**") has provided a framework for acquisitions pursuant to a delisting offer to be made through the stock exchanges ("**Stock Exchange Mechanism**"). As prescribed under the SEBI Circulars, the facility for such acquisitions shall be in the form of a separate window provided by stock exchanges having nationwide trading terminals ("**Acquisition Window Facility**"). Further, the SEBI Circulars provides that the Stock Exchanges shall take necessary steps and put in place the necessary infrastructure and systems for implementation of the Stock Exchange Mechanism.

14.2. Further, the SEBI Circulars provide that the Stock Exchanges shall take necessary steps and put in place the necessary infrastructure and systems for implementation of the Stock Exchange Mechanism and to ensure compliance with requirements of the SEBI Circulars. Pursuant to the SEBI Circulars, the Stock Exchange have issued guidelines detailing the mechanism for acquisition of shares through Stock Exchanges.

14.3. As such, the Acquirer has opted to avail of the Stock Exchange Mechanism and Acquisition Window Facility provided by BSE, in compliance with the SEBI Circulars. BSE is the designated stock exchange ("**DSE**") for the purpose of the Delisting Offer.

14.4. The Acquirer has appointed the following as its broker for the Delisting Offer through whom the purchase and settlement of the Offer Shares tendered in the Delisting Offer will be made ("**Buyer Broker**"):

JM Financial Services Limited
5th Floor, Cnergy,
Appasaheb Marathe Marg,
Prabhadevi, Mumbai - 400 025
Maharashtra, India
Telephone: +91 (22) 6630 3030, +91 (22) 6630 3262
Contact Person: Prachee Dhuri

14.5. The cumulative quantity tendered shall be displayed on website of the DSE at specific intervals during Bid Period.

15. DATE OF OPENING AND CLOSING OF BID PERIOD

15.1. All the Public Shareholders holding the Equity Shares are eligible to participate in the reverse book-building process, by tendering whole or part of the Equity Shares held by them through the Acquisition Window Facility at or above the Floor Price. The period during which the Public Shareholders may tender their Equity Shares, pursuant to Stock Exchange Mechanism, shall commence on Tuesday, February 9, 2021 ("**Bid Opening Date**") and close on Monday, February 15, 2021 ("**Bid Closing Date**") during normal trading hours of the secondary market ("**Bid Period**"). During the Bid Period, Bids will be placed in the Acquisition Window Facility by the Public Shareholders through their respective stock brokers registered with the BSE during normal trading hours of secondary market on or before the Bid Closing Date. Any change in the Bid Period will be notified by way of an addendum/ corrigendum in the newspapers in which this Public Announcement has appeared.

15.2. The Public Shareholders should note that the bids are required to be uploaded in the Acquisition Window Facility on or before the Bid Closing Date for being eligible for participation in the Delisting Offer. Bids not uploaded in the Acquisition Window Facility will not be considered for delisting purposes and will be rejected.

15.3. The Public Shareholders should submit their bids through stock brokers registered with BSE. Thus, Public Shareholders should not send bids to Company / Acquirer / Manager to the Offer / Registrar to the Offer.

15.4. Bids received after close of trading hours on the Bid Closing Date will not be considered for the purpose of determining the Discovered Price pursuant to the book building process.

16. PROCESS AND METHODOLOGY FOR BIDDING

16.1. A letter of offer inviting the Public Shareholders (along with necessary forms and instructions) to tender their Equity Shares to the Acquirer by way of submission of Bids ("**Letter of Offer**") will be dispatched to the Public Shareholders, whose names appear on the register of members of the Company and to the owner of the Equity Shares whose names appear as beneficiaries on the records of the respective depositories at the close of business hours on January 29, 2021 ("**Specified Date**") . In the event of accidental omission to dispatch the Letter of Offer or non-receipt of the Letter of Offer by any Public Shareholder or any Public Shareholder who has bought the Equity Shares after Specified Date, they may obtain a copy of Letter of Offer by writing to the Registrar to the Offer at their address given in paragraph 9, clearly marking the envelope "Xchanging Solutions Limited – Delisting Offer".

16.2. Alternatively, the Public Shareholders may obtain copies of Letter of Offer from the website of the BSE (*www.bseindia.com*), NSE (*www.nseindia.com)* and the website of the Company (*http://www.xchanging.com/investor-relations/xsl-content*).

16.3. For further details on the schedule of activities, please refer to paragraph 20 of this Public Announcement.

16.4. The Delisting Offer is open to all the Public Shareholders holding the Equity Shares either in physical and / or in demat form.

16.5. During the Bid Period, the bids will be placed in the Acquisition Window Facility by the Public Shareholders through their respective stock broker registered with BSE ("**Seller Member**") during normal trading hours of the secondary market.

16.6. Procedure to be followed by the Public Shareholders holding the Equity Shares in dematerialized form:

(i) The Public Shareholders who desire to tender their Equity Shares in the electronic form under the Delisting Offer would have to do so through their respective Seller Member by indicating to their Seller Member the details of the Equity Shares they intend to tender under the Delisting Offer ("**Tendered Shares**").

(ii) The Seller Member shall then transfer the Tendered Shares by using the settlement number and the procedure prescribed by the Indian Clearing Corporation Limited ("**Clearing Corporation**") to a special escrow account created by the Clearing Corporation before placing the bids and the same shall be validated at the time of order entry.

(iii) The details of settlement number shall be informed in the issue opening circular / notice that will be issued by the Stock Exchanges or the Clearing Corporation before the Bid Opening Date.

(iv) For custodian participant's orders for the demat Equity Shares early pay-in is mandatory prior to confirmation of order by the custodian participant. The custodian participant shall either confirm or reject the orders not later than the closing of trading hours on the last day of the Bid Period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed custodian participant orders, if there is any order modification, then it shall revoke the previous custodian participant's confirmation and the revised order shall be sent to the custodian participant again for its confirmation.

(v) Upon placing the bid, a Seller Member shall provide a 'Transaction Registration Slip' ('**TRS**') generated by the exchange bidding system to the Public Shareholder. The TRS will contain the details of order submitted like Bid ID No., DP ID, Client ID, No. of the Equity Shares tendered and price at which the Bid was placed, etc.

(vi) Please note that submission of Bid Form and TRS is not mandatorily required in case of Equity Shares held in dematerialized form.

(vii) The Clearing Corporation will hold in trust the Equity Shares until the Acquirer completes its obligations under the Delisting Offer in accordance with the Delisting Regulations.

(viii) The Public Shareholders will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of Equity Shares due to rejection. Further, Public Shareholders will have to ensure that they keep the saving account attached with the DP account active and updated to receive credit remittance due to acceptance of Tendered Shares.

(ix) In case of non-receipt of the Letter of Offer / Bid Form, Public Shareholders holding Equity Shares in dematerialized form can make an application in writing on plain paper, signed by the respective Public Shareholder, stating name and address, client ID number, DP name / ID, beneficiary account number and number of Equity Shares tendered for the Delisting Offer. Public Shareholders will be required to approach their respective Seller Member and have to ensure that their bid is entered by their Seller Member in the electronic platform to be made available by the BSE, before the Bid Closing Date.

(x) The Public Shareholders should not send bids to the Company or Acquirer or Manager to the Offer or Registrar to the Offer.

16.7. Procedure to be followed by the Public Shareholders holding the Equity Shares in physical form:

(i) The Public Shareholders who are holding physical Equity Shares and intend to participate in the Delisting Offer will be required to approach their respective Seller Member along with the complete set of documents for verification procedures to be carried out including as below:

(a) original share certificate(s);

(b) valid share transfer form(s) duly filled and signed by the transferors (i.e. by all registered shareholders in same order and as per the specimen signatures registered with the Company / registrar and transfer agent of the Company) and duly witnessed at the appropriate place authorizing the transfer.

(c) Attestation, where required, (thumb impressions, signature difference, etc.) should be done by a Magistrate / Notary Public / Bank Manager under their official seal;

(d) self-attested PAN Card copy (in case of Joint holders, PAN card copy of all transferors);

(e) Bid Form duly signed (by all holders in case the Equity Shares are in joint names) in the same order in which they hold the Equity Shares;

(f) Declaration by joint holders consenting to tender Offer Shares in the Delisting Offer, if applicable;

(g) Any other relevant documents such as power of attorney, corporate authorization (including board resolution / specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder has deceased, etc., as applicable. In addition, if the address of the Public Shareholder has undergone a change from the address registered in the Register of Members of the Company; and

(h) The Public Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar Card, Voter Identity Card or Passport.

(ii) Upon placing the bid, the Seller Member will provide a TRS generated by the Exchange Bidding System to the Public Shareholder. The TRS will contain the details of order submitted like Folio No., Certificate No., Distinctive No., No. of the Equity Shares tendered, price at which the bid was placed, etc.

(iii) The Seller Member / Public Shareholder should ensure to deliver the documents as mentioned in paragraph 16.7 (i) above along with the TRS either by registered post or courier or hand delivery to the Registrar to the Offer (at the address mentioned at paragraph 9) within 2 days of Bid Closing Date by the Seller Member. The envelope should be super scribed as "Xchanging Solutions Limited – Delisting Offer".

(iv) Public Shareholders holding the Equity Shares in physical form should note that the Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the Equity Shares by the Acquirer will be subject to verification of documents. The Registrar to the Offer will verify such bids based on the documents submitted on a daily basis and till such time the DSE shall display such bids as 'unconfirmed physical bids'. Once, the Registrar to the Offer confirms the Bids, it will be treated as 'Confirmed Bids'. The bids of the Public Shareholders whose original share certificate(s) and other documents (as mentioned in paragraph 16.7(i) above) along with the TRS are not received by the Registrar to the Offer, within two days after the Bid Closing Date, shall be liable to be rejected.

(v) In case of non-receipt of the Letter of Offer / Bid Form, Public Shareholders holding Equity Shares in physical form can make an application in writing on plain paper, signed by the respective Public Shareholder, stating name and address, folio number, share certificate number, number of equity shares tendered for the delisting offer and the distinctive numbers thereof, enclosing the original share certificate(s) and other documents (as mentioned in paragraph 16.7(i) above). Public Shareholders will be required to approach their respective Seller Member and have to ensure that their bid is entered by their Seller Member in the electronic platform to be made available by the DSE, before the Bid Closing Date.

(vi) The Registrar to the Offer will hold in trust the share certificate(s) and other documents (as mentioned in paragraph 16.7(i) above) until the Acquirer completes its obligations under the Delisting Offer in accordance with the Delisting Regulations.

(vii) It shall be the responsibility of the Public Shareholders tendering in the Delisting Offer to obtain all requisite approvals (including corporate, statutory

Contd.

and regulatory approvals) prior to tendering their Equity Shares in the Acquisition Window Facility. The Acquirer shall assume that the eligible Public Shareholders have submitted their bids only after obtaining applicable approvals, if any. The Acquirer reserves the right to reject bids received for physical shares which are without a copy of the required approvals.

(viii) The Equity Shares shall be liable for rejection on the following grounds amongst others: (a) there is a name mismatch in the Folio of the Public Shareholder; (b) there exists any restraint order of a court/any other competent authority for transfer/disposal/ sale or where loss of share certificates has been notified to the Company or where the title to the Equity Shares is under dispute or otherwise not clear or where any other restraint subsists; (c) The documents mentioned in the Bid Form for Public Shareholders holding Equity Shares in physical form are not received by the Registrar within 2 (two) days of Bid Closing Date; (d) If the share certificates of any other company are enclosed with the tender form instead of the share certificates of the Company; (e) If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the shareholder who has placed the bid; (f) If the Public Shareholders place a bid but the Registrar does not receive the physical Equity Share certificate; or (g) In the event the signature in the Bid Form and share transfer form do not match the specimen signature recorded with the Company or the Registrar.

16.8. The Public Shareholders, who have tendered their Equity Shares by submitting the bids pursuant to the terms of the Public Announcement and the Letter of Offer, may withdraw or revise their bids upwards not later than one day before the Bid Closing Date. Downward revision of the bids shall not be permitted. Any such request for revision or withdrawal of the bids should be made by the Public Shareholder through their respective Seller Member, through whom the original bid was placed. Any such request for revision or withdrawal of the bids received after normal trading hours of secondary market on one day before the Bid Closing Date will not be accepted.

16.9. The Public Shareholders should note that the bids should not be tendered to the Manager to the Offer or the Registrar to the Offer or to the Acquirer or to the Company or the Stock Exchanges. The Public Shareholders should further note that they should have a trading account with a Seller Member as the Bids can be entered only through their respective Seller Member. The Seller Member would issue contract note and pay the consideration to the respective Public Shareholder whose Equity Shares are accepted under the Delisting Offer.

16.10. The cumulative quantity of the Equity Shares tendered shall be made available on the website of the Stock Exchanges throughout the trading session and will be updated at specific intervals during the Bid Period.

16.11. The Equity Shares to be acquired under the Delisting Offer are to be acquired free from all liens, charges, and encumbrances and together with all rights attached thereto. The Equity Shares that are subject to any lien, charge or encumbrances are liable to be rejected.

16.12. In terms of Regulation 16(1A) of the Delisting Regulations, the Acquirer are entitled (but not obligated) to make a counter offer at the Counter Offer Price, at their sole and absolute discretion. The counter offer is required to be announced by issuing a public announcement of counter offer ("**Counter Offer PA**") within 2 working days of the Bid Closing Date. The Counter Offer PA will contain *inter alia* details of the Counter Offer Price and the revised schedule of activities. In this regard, Public Shareholders are requested to note that, if a counter offer is made:

(i) All Offer Shares tendered by Public Shareholders during the Bid Period and not withdrawn as per paragraph 16.12(ii) below, along with Offer Shares which are additionally tendered by them during the counter offer, will be considered as having been tendered in the counter offer at the Counter Offer Price.

(ii) Public Shareholders who have tendered Offer Shares during the Bid Period and thereafter wish to withdraw from participating in the counter offer (in part or full) have the right to do so after the issuance of the Counter Offer PA in accordance with the Delisting Regulations. Any such request for withdrawal should be made by the Public Shareholder through their respective Seller Member through whom the original Bid was placed. Any such request for withdrawal received after normal trading hours of the secondary market on the last day of the timelines prescribed in the Delisting Regulations will not be accepted.

(iii) Offer Shares which have not been tendered by Public Shareholder during the Bid Period can be tendered in the counter offer in accordance with the procedure for tendering that will be set out in the Counter Offer PA.

17. METHODS OF SETTLEMENT

17.1. Upon finalization of the basis of acceptance as per the Delisting Regulations:

(i) The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.

(ii) For consideration towards the Equity Shares accepted under the Delisting Offer, the money of the Escrow Account (*defined below*) shall be used to pay the consideration to the Buyer Broker on or before the pay-in date for settlement. The Buyer Broker will transfer the funds to the Clearing Corporation, which will be released to the respective Seller Member(s) / custodian participants as per the secondary market payout in their settlement bank account. The Seller Member(s) / custodian participants would pay the consideration to their respective clients.

(iii) In case of certain client types viz. non-resident Indians, non-resident clients etc. (where there are specific RBI and other regulatory requirements pertaining to funds pay-out) who do not opt to settle through custodians, the funds pay-out will be given to their respective Seller Member's settlement accounts for releasing the same to their respective Public Shareholder's account onward. For this purpose, the client type details will be collected from the depositories. whereas funds pay-out pertaining to the bids settled through custodians will be transferred to the settlement bank account of the custodian, each in accordance with the applicable mechanism prescribed by the Stock Exchanges and the Clearing Corporation from time to time.

(iv) The Equity Shares acquired in the demat form would either be transferred directly to the Acquirer's account provided it is indicated by the Buyer Broker or it will be transferred by the Buyer Broker to the Acquirer's account on receipt of the Equity Shares pursuant to the clearing and settlement mechanism of the Stock Exchanges. In case of the Equity Shares acquired in the physical form, the same will be transferred directly to the Acquirer by the Registrar to the Offer.

(v) In case of rejected demat Equity Shares, if any, tendered by the Public Shareholders, the same would be returned to the respective Seller Member by the Clearing Corporation in payout. The Seller Member / custodian participants would return these rejected Equity Shares to their respective clients on whose behalf the bids have been placed. In case of rejection of physical Equity Shares, the same will be returned back to the respective Public Shareholders directly by the Registrar to the Offer.

(vi) The Seller Member would issue contract note and pay the consideration to the respective Public Shareholder whose Equity Shares are accepted under the Delisting Offer. The Buyer Broker would also issue a contract note to the Acquirer for the Equity Shares accepted under the Delisting Offer.

(vii) The Public Shareholders who intend to participate in the Delisting Offer should consult their respective Seller Member for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Seller Member upon the Public Shareholders for tendering Equity Shares in the Delisting Offer (secondary market transaction). The consideration received by the Public Shareholders from their respective Seller Member, in respect of accepted Equity Shares, could be net of such costs, charges duties and expenses (including brokerage) and the Acquirer, the Company, the Manager to the Offer, the Registrar to the Offer and the Buyer Broker accept no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred by the Public Shareholders.

18. PERIOD FOR WHICH THE DELISTING OFFER SHALL BE VALID

18.1. The Public Shareholders may submit their bids to the Acquirer during the Bid Period. Additionally, once the Equity Shares have been delisted from the Stock Exchanges, the Public Shareholders, whose Equity Shares have not yet been acquired by the Acquirer ("**Residual Shareholders**") may offer their Equity Shares for sale to the Acquirer at the Exit Price for a period of one year following the date of the delisting of the Equity Shares from the Stock Exchanges ("**Exit Window**"). A separate offer letter in this regard will be sent to the Residual Shareholders explaining the procedure for tendering their Offer Shares. Such Residual Shareholders may tender their Offer Shares by submitting the required documents to the Registrar to the Offer during the Exit Window.

19. DETAILS OF THE ESCROW ACCOUNT

19.1. The estimated consideration payable under the Delisting Regulations, being the Floor Price of INR 44.64 (Indian Rupees Forty Four point Six Four only) per Equity Share multiplied by the number of Equity Shares outstanding with the Public Shareholders i.e., 2,78,50,929 (two crore seventy eight lakh fifty thousand nine hundred and twenty nine) Equity Shares as on the date of this Public Announcement, is INR 124,32,65,471 (Indian Rupees One Hundred and Twenty Four Crores Thirty Two Lakhs Sixty Five Thousand Four Hundred and Seventy One only) ("**Estimated Consideration Amount**").

19.2. The Acquirer, Manager to the Offer, and HDFC Bank Limited, having its India registered office at HDFC Bank House, Lower Parel, Senapati Bapat Marg, Mumbai-400013, India acting through its branch, situated at HDFC Bank Ltd, Lodha - I Think Techno Campus, O-3 Level, Next to Kanjurmarg Railway Station, Kanjurmarg (East), Mumbai - 400042 (hereinafter referred to as "**Escrow Bank**") have entered into an escrow agreement dated January 15, 2021, pursuant to which the Acquirer has opened an escrow account in the name of "Xchanging Solutions Ltd-Delisting Offer – Escrow Account" with the Escrow Bank at their branch at HDFC Bank Ltd, Lodha - I Think Techno Campus, O-3 Level, Next to Kanjurmarg Railway Station, Kanjurmarg (East), Mumbai - 400042 ("**Escrow Account**")

19.3. The Acquirer has made an escrow arrangement of INR 124,32,65,471 (Indian Rupees One Hundred and Twenty Four Crores Thirty Two Lakhs Sixty Five Thousand Four Hundred and Seventy One only) (the "**Escrow Amount**") for the Delisting Offer, comprising cash as security for performance of its obligations under the Delisting Regulations. The Escrow Amount is equal to 100% of the Estimated Consideration Amount.

19.4. On determination of the Discovered Price and making of the public announcement under Regulation 18 of the Delisting Regulations, the Acquirer shall ensure compliance with Regulation 11(2) of the Delisting Regulations.

19.5. If the Acquirer accepts the Discovered Price or offers an Exit Price, and the Delisting Offer is successful, the Acquirer will open a Special Account (**defined below**) with the Escrow Bank and credit thereto, the entire amount due and payable as consideration in respect of the Equity Shares validly accepted in the Delisting Offer at the Exit Price.

19.6. Further, the Escrow Bank will open a special account ("**Special Account**") on the instructions of the Acquirer and the Manager to the Offer, which shall be used for payment to the Public Shareholders whose Equity Shares have been validly accepted in the Delisting Offer. The Manager to the Offer shall instruct the Escrow Bank to transfer the total consideration amount payable in the Delisting Offer to the Special Account.

19.7. Where the Delisting Offer fails:

(i) the Equity Shares deposited or pledged by a Public Shareholder shall be returned or released to such Public Shareholder within 10 working days from the Bid Closing Date in terms of the schedule of activities set out herein;

(ii) no final application shall be made to the Stock Exchanges for delisting of the Equity Shares; and

(iii) the cash deposited in the Escrow Account shall be returned to the Acquirer.

20. PROPOSED SCHEDULE FOR THE DELISTING OFFER

20.1. The proposed schedule for the Delisting Offer is as follows:

Activity	Day and Date
Resolution for approval of the Delisting Offer passed by the board of directors the Company	Friday, August 28, 2020
Date of receipt of BSE 'in-principle' approval	Friday, January 29, 2021
Date of receipt of NSE 'in-principle' approval	Friday, January 29, 2021
Date of publication of the Public Announcement	Monday, February 1, 2021
Specified Date* or determining the names of Public Shareholders to whom the Offer Letters shall be sent	Friday, January 29, 2021
Dispatch of Letter of Offer and Bid Forms to the Public Shareholders as on the Specified Date	Wednesday, February 3, 2021
Bid Opening Date	Tuesday, February 9, 2021
Last Date for revision (upwards) or withdrawal of Bids	Friday, February 12, 2021
Bid Closing Date (up to 3:00 pm)	Monday, February 15, 2021
Last date for announcement of counter offer	Wednesday, February 17, 2021
Last date for announcement of the Discovered Price or the Exit Price and Acquirer's acceptance or non-acceptance of the Discovered Price or the Exit Price	Tuesday, February 23, 2021
Proposed date for payment of consideration#	Tuesday, March 2, 2021
Proposed date for return of Equity Shares to the Public Shareholders in case of Bids not being accepted / failure of the Delisting Offer	Tuesday, March 2, 2021

** Specified Date is only for the purpose of determining the name of the Public Shareholders as on such date to whom the Letter of Offer will be sent. However, all owners (registered or unregistered) of the Equity Shares are eligible to participate in the Delisting Offer any time on or before the Bid Closing Date.*

 # Subject to the acceptance of the Discovered Price.

All the dates are subject to change and are dependent on obtaining all the requisite statutory and regulatory approvals as may be applicable. In the event there is any change in the proposed schedule, it will be announced by way of a corrigendum to this Public Announcement in the same newspapers in which this Public Announcement appears.

21. STATUTORY APPROVALS

21.1. The Public Shareholders have accorded their consent by way of special resolution passed on October 5, 2020, in respect of delisting of Equity Shares from the Stock Exchanges, in accordance with the Delisting Regulations.

21.2. BSE and NSE have given their in-principle approval for delisting of the Equity Shares vide their letters dated January 29, 2021.

21.3. It shall be the primary responsibility of the Public Shareholders tendering Offer Shares in the Delisting Offer to obtain all requisite approvals, if any (including corporate, statutory or regulatory approvals), prior to tendering in the Delisting Offer, and the Acquirer shall take no responsibility for the same. The Public Shareholder should attach a copy of any such approvals to the Bid Form, wherever applicable. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in the Delisting Offer.

21.4. To the best of the Acquirer's knowledge, as of the date of this Public Announcement, there are no other statutory or regulatory approvals required to acquire the Offer Shares and implement the Delisting Offer. If any statutory or regulatory approval becomes applicable, the acquisition of Offer Shares by the Acquirer and the Delisting Offer will be subject to such statutory or regulatory approvals and receipt thereof.

21.5. The Acquirer reserves the right not to proceed with or withdraw the Delisting Offer in the event the conditions mentioned in the paragraph 12 (*Conditions to the Delisting Offer*) and paragraph 13 (*Disclosure Regarding The Minimum Acceptance Condition For Success of the Delisting Offer*) of this Public Announcement are not fulfilled, and if any of the requisite statutory approvals are not obtained or conditions which the Acquirer considers in its sole discretion to be onerous are imposed in respect of such approvals.

21.6. In the event that receipt of the statutory or regulatory approvals are delayed, changes to the proposed schedule, if any, will be notified to the Public Shareholders by way of a corrigendum to this Public Announcement in the same newspapers in which this Public Announcement was published.

22. TAXATION AND TAX DEDUCTION AT SOURCE

22.1 Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares of an Indian company are generally taxable in India. Capital gain arising from sale of listed equity shares in a company made on a recognized stock exchange on or after October 1, 2004 and on which Securities Transaction Tax ("**STT**") was paid at the time of sale, was earlier exempt from tax provided that the shares were held for more than 12 months. The Finance Act 2017 had amended the Income Tax Act, 1961 ("**IT Act**") to provide that the said exemption was available only if STT is paid both at the time of purchase and sale of such shares, subject to certain exceptions notified by the central government.

22.2 The Finance Act, 2018 has withdrawn the above capital gains tax exemption with effect from April 1, 2018 for any transfer of listed equity shares in a company, held for more than 12 months, on a recognized stock exchange occurring on or after April 1, 2018, the capital gains exceeding INR 1,00,000 (Indian Rupees One Lakh only) are now taxable at a rate of 10%, subject to satisfaction of certain conditions. Further, if investments were made on or before January 31, 2018, a method of determining the cost of acquisition of such investments has been specifically laid down.

22.3 STT will be levied on and collected by a domestic stock exchange on which the equity shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less which are sold, will be subject to short term capital gains tax @ 15% provided the transaction is chargeable to STT.

22.4 Tax deduction at source in relation to the Offer Shares acquired in the reverse book building process:

(i) <u>In case of resident shareholders:</u> In absence of any specific provision under the IT Act, the Acquirer shall not deduct tax on the consideration payable to resident shareholders pursuant to the Delisting Offer.

(ii) <u>In case of non-resident shareholders:</u> Under the existing Indian tax laws, any sum paid to a non-resident which is chargeable to tax under the provisions of IT Act is subject to deduction of tax at source, except for capital gains realized by the foreign portfolio investors or such gains/ income which are exempt from tax. Since the acquisition of Offer Shares pursuant to the delisting process is through the stock exchange mechanism, the Acquirer will not be able to withhold any taxes, and thus, the Acquirer believes that the responsibility of withholding/ discharge of the taxes due on such gains (if any) is solely on the custodians/ authorized dealers/ non-resident shareholders – with no recourse to the Acquirer and/ or persons acting in concert with it. It is therefore important that the non-resident shareholders consult their custodians/ authorized dealers/ tax advisors appropriately and immediately pay taxes in India (either through deduction at source or otherwise). In the event the Acquirer and/ or persons acting in concert with it are held liable for the tax liability of the shareholder, the same shall be to the account of the shareholder and to that extent the Acquirer and/ or persons acting in concert with it are entitled to be indemnified.

22.5 Post delisting and during the Exit Window period, the Equity Shares would be treated as unlisted shares and therefore, capital gain on sale of such unlisted Equity Shares (held for more than 24 months) would be taxable at 20% for residents in India and at 10% for non-resident in India. For Offer Shares held for 24 months or less, capital gain would be taxable at ordinary rate applicable for the shareholder. The provision of gains up to January 31, 2018 being grandfathered would not be applicable and therefore the cost of acquisition for the Public Shareholders whose Offer Shares are being acquired in the Exit Window ("**Residual Public Shareholders**") would be price paid by Residual Public Shareholder for acquisition of Offer Shares. Please note while the resident Residual Public Shareholders are allowed the benefit of indexation on their original cost of acquisition, no such benefit is applicable for non-resident Residual Public Shareholders.

22.6 On purchase of Offer Shares from non-resident Residual Public Shareholders during the Exit Window period, the Acquirer would be required to deduct tax at source from the sale consideration unless the Residual Public Shareholder obtains a nil deduction certificate from the tax authorities and furnishes the same to the payor prior to the remittance of the sale consideration. The amount of taxes deducted and deposited by the Acquirer can be claimed as credit by the Residual Public Shareholder against its final tax liability.

22.7 The above tax rates are subject to applicable rate of surcharge, health and education cess. The tax rate and other provisions may undergo changes.

SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR THE TREATMENT THAT MAY BE GIVEN BY THEIR RESPECTIVE INCOME TAX ASSESSING AUTHORITIES IN THEIR CASE, AND THE APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE. THE JUDICIAL AND THE ADMINISTRATIVE INTERPRETATIONS THEREOF, ARE SUBJECT TO CHANGE OR MODIFICATION BY SUBSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE OR JUDICIAL DECISIONS. ANY SUCH CHANGES COULD HAVE DIFFERENT INCOME-TAX IMPLICATIONS. THIS NOTE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND IS NOT A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF EQUITY SHARES. THE IMPLICATIONS ARE ALSO DEPENDENT ON THE SHAREHOLDERS FULFILLING THE CONDITIONS PRESCRIBED UNDER THE PROVISIONS OF THE RELEVANT SECTIONS UNDER THE RELEVANT TAX LAWS. THE ACQUIRER NEITHER ACCEPTS NOR HOLDS ANY RESPONSIBILITY FOR ANY TAX LIABILITY ARISING TO ANY SHAREHOLDER AS A REASON OF THIS DELISTING OFFER.

The above tax rates are subject to applicable rate of surcharge, education cess and secondary and higher education cess. The tax rate and other provisions may undergo changes.

23. CERTIFICATION BY THE BOARD

23.1. The Board has certified that:

(i) There has been no material deviation in utilisation of proceeds of issues of securities made during the five years immediately preceding the date hereof, from the stated object of the issue;

(ii) All material information which is required to be disclosed under the provisions of continuous listing requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the listing agreement executed with the Stock Exchanges has been disclosed to the Stock Exchanges;

(iii) The Company is in compliance with the applicable provisions of securities laws;

(iv) The members of the promoter/promoter group of the Company and their related entities are in compliance with the provisions of sub-regulation (5) of Regulation 4 of Delisting Regulations in relation to the Delisting Offer; and

(v) The Delisting Offer is in the interest of the shareholders of the Company.

24. COMPANY SECRETARY AND COMPLIANCE OFFICER

The Company Secretary and Compliance Officer of the Company is:

Aruna Mohandoss
Company Secretary & Compliance Officer
Membership No. A24023
Telephone No.: +91 80 43640000
Fax No.: +91 80 33862888
Email Id: compliance@xchanging.com

25. OTHER DISCLOSURES

25.1. Xchanging Technology Services India Private Limited ("**XTSIPL**"), a member of the promoter/promoter group of the Company, along with DXC Technology Company ("**DXC**") and Computer Sciences Corporation India Private Limited as persons acting in concert ("**Open Offer PACs**") and JM Financial Institutional Securities Ltd. ("**JM**") are party to a litigation filed by Mr. Pawan Kumar Saraf ("**Appellant**") pertaining to the price payable to the public shareholders of the Company on account of an open offer triggered on the Takeover Reference Date (*defined below*). The litigation is currently pending at the Hon'ble Securities Appellate Tribunal ("**SAT**"). The details of the litigation are set out below:

(i) A merger agreement ("**Merger Agreement**") was executed on May 24, 2016 ("**Takeover Reference Date**") *inter-alia* between Hewlett Packard Enterprise Company and DXC. The transactions contemplated under the Merger Agreement were completed on April 01, 2017 and upon such completion, DXC became the ultimate parent company of the Company, thereby indirectly acquired 8,77,53,949 equity shares of the Company representing 78.77% of the voting share capital of the Company.

(ii) The execution of the Merger Agreement on the Takeover Reference Date triggered an indirect open offer in terms of the Takeover Regulations. In terms of Regulations 3(1), 4 and 5(1) of the Takeover Regulations, XTSIPL along with the Open Offer PACs made an open offer to acquire 2,36,49,767 equity shares representing 21.23% of the voting share capital of the Company at a price of INR 55.22 per share ("**Takeover Offer Price**") from the public shareholders of the Company ("**Open Offer**").

(iii) In terms of Regulation 13(2)(e) of the Takeover Regulations, the public announcement ("**PA for the Open Offer**") for the Open Offer was required to be issued within 4 working days from the Takeover Reference Date; however, the PA for the Open Offer was actually made on November 17, 2017 ("**Actual PA Date**"). The Open Offer was completed on June 11, 2018.

(iv) The Appellant, a public shareholder of the Company, claimed that the correct open offer price that ought to have been offered to the public shareholders in the Open Offer was INR 79.58 per share and not the Takeover Offer Price (of INR 55.22 per share). In this regard, on May 29, 2018, the Appellant filed Appeal No. 183 of 2018 before SAT to challenge the Takeover Offer Price.

(v) After considering the submissions made by the parties, SAT vide its order dated September 19, 2019 directed the Appellant to file a consolidated representation before SEBI and directed SEBI to consider the Appellant's representation and pass a reasoned order. Accordingly, SEBI vide its order dated January 20, 2020 ("**SEBI Order**") held that the Takeover Offer Price was correctly computed in accordance with the Takeover Regulations.

(vi) Aggrieved by the SEBI Order, the Appellant has again filed Appeal (L) No. 136 of 2020 ("**Appeal**") before the SAT to challenge the SEBI Order. SEBI, XTSIPL, the Open Offer PACs and JM have been arrayed as Respondents in the Appeal. A copy of the Appeal, filed on March 5, 2020, was served upon XTSIPL/Open Offer PACs on September 17, 2020.

(vii) In the Appeal, the Appellant has claimed that the Takeover Offer Price as arrived at by XTSIPL/Open Offer PACs and as affirmed by SEBI vide the SEBI Order is incorrect and the open offer price payable to the public shareholders of the Company in the Open Offer ought to have been ₹ 79.58. Accordingly, the Appellant has prayed that the SEBI Order be set aside and that XTSIPL/ Open Offer PACs be directed to pay the differential amount (i.e. ₹ 79.58 – ₹ 55.22 = ₹ 24.36) to all the public shareholders who had tendered their shares in the Open Offer, along with interest. The Appeal is currently pending before SAT.

25.2. Public Shareholders should note that on January 6, 2021, DXC (being the ultimate parent company of the Acquirer and the Target Company) received an unsolicited, preliminary and non-binding proposal from Atos SE to acquire all of DXC's shares. The board of directors of DXC is currently evaluating the said proposal.

26. GENERAL DISCLAIMER

26.1. Every person who desires to avail of the Delisting Offer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Acquirer, the Manager to the Offer or the Company whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such offer and tender of securities through the reverse book building process through Acquisition Window Facility or otherwise whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

For further details please refer to the Letter of Offer, the Bid Form and the Bid Revision / Withdrawal Form which will be sent to the Public Shareholders who are shareholders of the Company as on the Specified Date. This Public Announcement is expected to be available on the website of the Stock Exchanges, (www.bseindia.com and www.nseindia.com). Public Shareholders will also be able to download the Letter of Offer, the Bid Form and the Bid Revision / Withdrawal Form from the websites of the Stock Exchanges.

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
JM FINANCIAL **JM Financial Limited** 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025, India **Telephone:** +91 (22) 6630 3030, +91 (22) 6630 3262 **Contact Person:** Ms. Prachee Dhuri **Email:** xchanging.delisting@jmfl.com **Website:** www.jmfl.com **SEBI Registration Number:** INM000010361	KFINTECH **KFin Technologies Private Limited** (formerly known as "Karvy Fintech Private Limited") Address: Selenium, Tower B, Plot No- 31 and 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi 500 032 Telangana, India. **Telephone Number:** +91 40 6716 2222 **Fax:** +91 40 2343 1551 **Toll free number:** 18003454001 **Website:** www.kfintech.com **E-mail:** xchanging.delist2020@kfintech.com **Investor grievance e-mail:** einward.ris@kfintech.com **Contact Person:** M. Murali Krishna **SEBI Registration No.:** INR000000221 **CIN:** U72400TG2017PTC117649

For and on behalf of the Acquirer:

Sd/-	Sd/-	Sd/-
Nachiket V Sukhtankar	**Ajay Anand Shivaananda**	**Sailaja Balasubramaniyan**
Managing Director	Director	Company Secretary

Place : Chennai
Date : January 30, 2021

Govt may give oilfield in lieu of $1.4 billion it has to pay Cairn, save overseas assets

PRESS TRUST OF INDIA
New Delhi, January 31

THE GOVERNMENT MAY give Cairn Energy one of the surrendered oil fields such as Ratna R-Series in lieu of the $1.4 billion it has to pay to the British firm, helping prevent seizure of foreign assets in case of default as well as get a experienced operator in struggling E&P sector, sources said.

Cairn Energy gave India its biggest onland oil discovery but exited the country after it was slapped with a ₹10,247-crore tax demand using a legislation that gave the government the powers to tax companies retrospectively. The firm has now won an international arbitration against the tax demand and the government has been ordered to return the value of shares of Cairn it had sold, dividends it had seized and tax refund it had withheld to recover the tax demand.

For a government struggling to find revenue to boost a Covid-19 battered economy, options of appeal against the arbitration award are limited and it may not have the financial bandwidth for such a payout, two sources with knowledge of the development said.

"One option is to give Cairn one or more of the oil and gas fields that the government now owns after they are surrendered by operators for various reasons," one of them said.

"The government could give the Ratna and R-Series oil and gas field in the Arabian Sea that taken away from Essar Oil-Premier Oil consortium in 2016 because contractual terms had changed."

The Barmer oilfield in Rajasthan, which was originally discovered by Cairn Energy, could be another option. Vedanta, which now operates the field after it bought out Cairn's Indian subsidiary a decade back, has so far not agreed to the government conditions for getting an extension of contract beyond its original end day of May 2020.

Coal India output likely to slip 4% in January

PRESS TRUST OF INDIA
Kolkata, January 31

COAL INDIA'S DRY fuel production is likely to snap a five-month growth streak to register a decline in January, owing to high pithead stock, sources said on Sunday.

Coal production for the month is likely to be around 60.2 million tonnes compared with the corresponding period a year ago, when the output was at 63.11 million tonnes.

Till January 29, the output was 56.24 million tonnes, and aggregate production for the 11-month period of the current fiscal (April-January) will be about 454 million tonnes, the sources said. Coal India is targeting an output of 630-640 million tonnes till March.

Total coal offtake for the Kolkata-headquartered company in the first month of 2021 is expected to be 53.3 million tonnes, resulting in a decline of about 5.5% as against the figure during the same period in 2020.

The world's largest miner has been registering robust growth since August 2020, as the nationwide lockdown began to ease.

FPIs net buyers at ₹14,649 crore in Jan

PRESS TRUST OF INDIA
New Delhi, Jan 31

FOREIGN PORTFOLIO INVESTORS (FPI) have remained net buyers to the tune of ₹14,649 crore in Indian markets in January, amid availability of global liquidity and emerging markets being a preferred destination for foreign funds.

According to FPI statistics available with depositories, overseas investors pumped in a net of ₹19,473 crore into equities but pulled out ₹4,824 crore from the debt segment between January 1 and January 29. The total net investment in January stood at ₹14,649 crore.

PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF THE EQUITY SHAREHOLDERS/BENEFICIAL OWNERS OF THE EQUITY SHARES OF

Freshtrop

FRESHTROP FRUITS LIMITED

Corporate Identification Number (CIN): L15400GJ1992PLC018365

Registered Office: A-603, Sapath-IV, Opp. Karnavati Club, SG Highway, Ahmedabad - 380015 | **Tel :** +91-79-40307050-57 | **Email:** secretarial@freshtrop.com | **Website:** www.freshtrop.com

PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF THE EQUITY SHAREHOLDERS/BENEFICIAL OWNERS OF THE EQUITY SHARES OF FRESHTROP FRUITS LIMITED

This Public Announcement ("PA") is being made in relation to the Buyback (as defined hereinafter) of Equity Shares of Freshtrop Fruits Limited ("Company") from the Open Market through Stock Exchange Mechanism, pursuant to Regulation 16(iv)(b) and other applicable provisions of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, for the time being in force including any statutory modifications and amendments from time to time ("SEBI Buyback Regulations/Buyback Regulations") and contains the disclosures as specified in Schedule IV of the SEBI Buyback Regulations.

OFFER FOR BUYBACK OF EQUITY SHARES FROM THE OPEN MARKET THROUGH STOCK EXCHANGE MECHANISM.

Part A -Disclosures in accordance with the Schedule I of the Buyback Regulations

1. DETAILS OF BUY BACK OFFER AND OFFER PRICE

1.1 Pursuant to article 73 of the articles of association of the Company and the provisions of Sections 68, 69, 70 and all other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014 and other applicable Rules thereunder, each as amended from time to time (the "Companies Act") (including any re-enactment of the Companies Act or enactment of any rules framed thereunder from time to time), and the provisions of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, and pursuant to the resolution passed by the Board of Directors of the Company at their meeting held on January 28, 2021 (the "Board Meeting"), approved the buyback of the fully paid-up equity shares of the face value of ₹10 (Rupees Ten only) each of the Company (the "Equity Shares") from the Members/ beneficial owners, other than those who are promoters or the persons in control of the Company(hereinafter collectively referred to as the "Promoters") and promoter group, from the open market through stock exchange mechanism i.e. using the electronic trading facilities of the BSE Limited ("BSE"), where the Equity Shares are listed (hereinafter referred to as the "Stock Exchange") for an aggregate amount not exceeding ₹ 675 lakhs (Rupees Six Crore Seventy Five Lakhs only) (the "Maximum Buyback Size") and at a price not exceeding ₹ 90 (Rupees Ninety only) per Equity Share (the "Maximum Buyback Price"), payable in cash (the process being referred hereinafter as "Buyback"). The Maximum Buyback Size does not include brokerage, costs, fees, turnover charges, taxes such as buyback tax, securities transaction tax, goods and services tax (if any) and income tax, stamp duty, advisors fees, printing expenses, filing fees and other incidental and related expenses and charges (collectively referred to as "Transaction Costs"). The Maximum Buyback Size represents 9.73% of the aggregate of the Company's total paid-up equity share capital and free reserves based on the audited financial statements of the Company at March 31, 2020 (being the latest available audited financial statements of the Company) which is less than 15% of the total paid-up equity share capital and free reserves of the Company in accordance with the proviso to the Regulation 4(iv) of the Buyback Regulations.

1.2 The Maximum Buyback Price represents a premium of 16.04% compared to the average of the weekly high and low of the closing price of the Equity Shares of the Company on the BSE, during two weeks preceding the date of the Board Meeting. Further, the Company shall utilize at least 50% of the Maximum Buyback Size i.e. ₹ 337.50 lakh (Rupees Three Crores Thirty Seven Lakhs Fifty Thousands only) ("Minimum Buyback Size") and the Company accordingly will purchase an indicative minimum of 3,75,000 (Three Lakhs Seventy Five Thousands only) Equity Shares based on the Maximum Buyback Price.

1.3 The Board shall determine, at its discretion, the time frame for completion of the Buyback and may close the Buyback (which shall not be longer than (6) six months from the date of opening of the Buyback or such other period as may be permitted under the Companies Act and/or Buyback Regulations or as may be directed by the appropriate authorities) after the Minimum Buyback Size has been reached, and irrespective of whether the Maximum Buyback Size has or has not been reached, after giving appropriate notice for such closure and on completing all formalities in this regard, in accordance with the Companies Act and/or Buyback Regulations.

1.4 The indicative maximum number of Equity Shares to be bought back at the Maximum Buyback Size and the Maximum Buyback Price is 7,50,000 (Seven Lakh Fifty Thousands only) Equity Shares ("Maximum Buyback Shares"). If the Equity Shares are bought back at a price below the Maximum Buyback Price, the actual number of Equity Shares bought back could exceed the indicative Maximum Buyback Shares (assuming full deployment of Maximum Buyback Size) but will always be subject to the Maximum Buyback Size. The aggregate maximum amount of the buyback will be less than 10% of the total paid-up capital and free reserve of the company. Further, the number of Equity Shares to be bought back will not exceed 25% of the total paid up equity capital of the Company. The Company shall, during the Buyback period and upon completion thereof, comply with the requirement of maintaining a minimum public shareholding of at least 25% of the total paid up Equity Share capital of the Company as provided under Regulation 38 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

1.5 The Buyback will be implemented by the Company out of its securities premium account, free reserves or such other source as may be permitted under Section 68(1) of the Companies Act and Regulation 4(ix) of the Buyback Regulations and shall be from the open market through the Stock Exchange, by the order matching mechanism except 'all or none' order matching system, as provided under the Buyback Regulations.

1.6 A copy of this Public Announcement is available on the Company's website (i.e. www.freshtrop.com) and is expected to be available on the website of the Securities and Exchange Board of India ("SEBI") (i.e. www.sebi.gov.in), and on the websites of Stock Exchange, (i.e. www.bseindia.com) during the period of the Buyback.

2. NECESSITY FOR BUY-BACK

The Board is of the view that having regard to the cash flows that the Company has been able to consistently generate, the future projected cash flows of the Company and the anticipated funds required for capital expenditure and working capital to meet the expected future growth of the Company, the Buyback will help the Company achieve the following objectives:

(a) Optimize returns to shareholders;
(b) Enhance overall shareholders value; and
(c) Optimize the capital structure

resulting in reduction in outstanding shares, improvement in earnings per share, enhanced return on invested capital, effective utilization of available cash and improvement in key return ratios like return on net worth, return on assets etc. over a period of time.

The Board believes that the Buy-back will create and enhance long term value for continuing shareholders. The Buy-back is not likely to cause any; material impact on the profitability/ earnings of the Company except a reduction in the investment income, which the Company could have otherwise earned on the amount distributed towards the Buy-back. The Buy-back will not in any manner impair the ability of the Company to pursue growth opportunities or meet its cash requirements for business operations and for continued capital investment, as and when required.

3. BUYBACK PRICE AND THE BASIS OF ARRIVING AT BUYBACK PRICE

3.1 The Maximum Buyback Price of ₹ 90 (Rupees Ninety only) per Equity Share has been arrived at after considering various factors, including average of the weekly high and low of the closing share price of the Equity Shares on the Stock Exchange (till January 27, 2021), the net worth of the Company and the potential impact of the Buyback on the earnings per share of the Company. The Maximum Buyback Price excludes the Transaction Costs.

3.2 The Maximum Buyback Price represents a premium of 16.04% compared to the average of the weekly high and low of the closing prices of the Equity Shares on the BSE, during the two weeks preceding the date of the Board Meeting.

3.3 The Buyback is proposed to be completed within a maximum period of 6 (six) months from the date of opening of the Buyback or such other period as may be permitted under the Companies Act and/or Buyback Regulations or as may be directed by the appropriate authorities. Subject to the Maximum Buyback Price of ₹ 90 (Rupees Ninety only) per Equity Share, maximum validity period of 6 (six) months from the date of opening of the Buyback or such other period as may be permitted under the Companies Act and/or Buyback Regulations or as may be directed by the appropriate authorities, and achievement of the Minimum Buyback Size, the actual time frame and the price for the Buyback will be determined by the Board of Directors, at their discretion, in accordance with the Buyback Regulations.

3.4 At the Maximum Buyback Price and for Maximum Buyback Size, the indicative maximum number of Equity Shares bought back would be 7,50,000 (Seven Lakhs Fifty Thousands only) Equity Shares. If the Equity Shares are bought back at a price below the Maximum Buyback Price, the actual number of Equity Shares bought back could exceed the indicative Maximum Buyback Shares (assuming full deployment of Maximum Buyback Size) but will always be subject to the Maximum Buyback Size. Further, the number of Equity Shares to be bought back will not exceed 25% of the total paid up equity capital of the Company.

3.5 Further, the Company shall utilize at least 50% of the Maximum Buyback Size i.e. ₹ 337.50 lakhs (Rupees Three Crores Thirty Seven Lakhs Fifty Thousands only) towards the Buyback and the Company will accordingly purchase an indicative minimum of 3,75,000 (Three Lakhs Seventy Five Thousands only) Equity Shares ("Minimum Buyback Shares") based on the Maximum Buyback Price.

3.6 The actual number of Equity Shares bought back will depend upon the actual price paid for the Buyback, excluding the Transaction Costs paid for the Equity Shares bought back, and the aggregate amount paid in the Buyback, subject to the Maximum Buyback Size. The actual reduction in outstanding number of Equity Shares would depend upon the price at which the Equity Shares of the Company are traded at the Stock Exchange as well as the total number of Equity Shares bought back by the Company from the open market through the Stock Exchange during the Buyback period.

4. DETAILS OF PROMOTER'S SHAREHOLDING AND OTHER DETAILS

4.1 The shareholding of the promoter and promoter group of the Company as on the date of the Board Meeting i.e. January 28, 2021, are as follows:

Sr. No.	Name	No. of Equity Shares	% Shareholding
1	Ashok Vishindas Motiani	15,46,398	13.88
2	Nanita Ashok Motiani	8,55,442	7.68
3	Mayank Ramesh Tandon	4,39,676	3.95
4	Priyanka Tandon	5,80,205	5.21
5	Dipti Ashok Motiani	7,31,964	6.57
6	Freshcap Foodstuff LLP	21,01,648	18.86
	Total	**62,55,333**	**56.13**

4.2 The shareholding of the Directors / Partners of Promoter & Promoter Group Companies / Entities, Directors and Key Managerial Personnel of the Company as on the date of the Board Meeting i.e. January 28, 2021, are as follows:

Sr. No.	Name	No. of Equity Shares	% Shareholding
1	Ashok Vishindas Motiani	15,46,398	13.88
2	Nanita Ashok Motiani	8,55,442	7.68
3	Priyanka Tandon	5,80,205	5.21
4	Dipti Ashok Motiani	7,31,964	6.57

4.3 No share was purchased or sold by the Promoters and Promoter Group, Directors / Partners of Promoter & Promoter Group Companies / Entities, Directors and Key Managerial Personnel of the Company during a period of six months preceding the date of the Board Meeting i.e. January 28, 2021.

4.4 **Non-Participation by Promoters and promoter Group:** As per Regulation 16(ii) of the Buyback Regulations, the Buyback shall not be made from Promoters and Promoter Group of the Company. Further, as per Regulation 24(i)(e) of the Buyback Regulations, the Promoters, Promoter Group and their associates have not dealt in the Equity Shares or other specified securities of the Company either through the Stock Exchange or off-market transactions (including inter-se transfer of Equity Shares among the Promoters) from the date of the Board meeting till the date of the Public Announcement and shall not deal in the Equity Shares or other specified securities of the Company either through the stock exchange or off-market transactions (including inter-se transfer of Equity Shares among the Promoters) from the date of the Public Announcement till the closing of the Buyback.

4.5 **No Defaults :** The Company confirms that there are no defaults (either in the past or subsisting) in repayment of deposits, interest payment thereon, redemption of debentures or preference shares, payment of dividend to any member, or repayment of term loans or interest payable thereon to any financial institution or any bank/ banking company.

5. CONFIRMATIONS BY THE BOARD OF DIRECTORS

5.1 The Board of Directors of the Company has confirmed that it has made a full enquiry into the affairs and prospects of the Company and, after taking into account the financial position of the Company including the projections and also considering all contingent liabilities, has formed the opinion that:

(i) immediately following the date of this board meeting there will be no grounds on which the Company could be found unable to pay its debts;

(ii) as regards the Company's prospects for the year immediately following the date of the Board Meeting, having regard to Board's intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of Board Meeting; and

(iii) in forming their opinion for the above purposes, the Board has taken into account the liabilities as if the Company were being wound up under the provisions of the Companies Act, 1956 or Companies Act or the Insolvency and Bankruptcy Code, 2016 (including prospective and contingent liabilities).

6. REPORT BY THE COMPANY'S STATUTORY AUDITOR

The text of the report dated January 28, 2021 received from M/s. FP & Associates, Chartered Accountants, the statutory auditor of the Company, and is addressed to the Board of Directors is reproduced below :

Quote

The Board of Directors,
FRESHTROP FRUITS LIMITED
A-603, Sapath-IV,
Opp. Karnavati Club, S.G. Highway,
Ahmedabad-380051, Gujarat

Dear Sirs,

Statutory Auditor's Report in respect of proposed buy back of equity shares by Freshtrop Fruits Limited ('the Company') in terms of clause (xi) of Schedule I of Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, as amended (the "SEBI Buyback Regulations")

1. This report is issued in accordance with the terms of our engagement letter dated January 27, 2021. The Board of Directors of Freshtrop Fruits Limited have approved the buy-back of equity shares by the Company at its meeting held on January 28, 2021, in pursuance of the provisions of Section 68, 69 and 70 of the Companies Act, 2013 ('the Act') and the SEBI Buyback Regulations.

2. We have been requested by the management of the Company ("Management") to provide a report on the accompanying statement of permissible capital payment ('Annexure A') as at March 31, 2020 (hereinafter referred to as the "Statement"). This Statement has been prepared by the Management, which we have initialed for identification purposes only.

Management's Responsibility for the Statement

3. The preparation of the Statement in accordance with proviso (i) to Section 68 (2)(b) and other applicable provisions of the Companies Act, 2013 and the compliance with the SEBI Buyback Regulations, is the responsibility of the Management of the Company, including the computation of the amount of the permissible capital payment, the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

4. The Board of directors is responsible to make full inquiry into the affairs and prospects of the company and to form an opinion that the company will not be rendered insolvent within a period of one year from the date of the resolution of the Board of Directors with respect to proposed buy back.

Auditor's Responsibility

5. Pursuant to the requirements of the SEBI Buyback Regulations, it is our responsibility to provide reasonable assurance:

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

ii) if the amount of permissible capital payment as stated in Annexure A, has been properly determined considering the audited financial statements as at March 31, 2020 in accordance with Section 68(2) of the Act; and

iii) if the Board of Directors in their meeting dated January 28, 2021, have formed the opinion as specified in clause (x) of Schedule I to the SEBI Buyback Regulations, 2018 on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from that date.

6. The financial statements referred to in paragraph 5 above, which we have considered for the purpose of this report, have been audited by us, on which we have issued an unmodified audit opinion vide our report dated June 25, 2020. We conducted our audit of the financial statements in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ("ICAI"). Those Standards required that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

7. We conducted our examination of the statement in accordance with the "Guidance note on Audit Reports and Certificates" for Special purposes issued by the Institute of Chartered Accountants of India. The above procedures performed for issuing the certificate does not constitute either an audit or a review in accordance with the generally accepted auditing standards in India and hence, we do not express any audit / review opinion thereon.

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

Opinion

9. Based on inquiries conducted and our examination as above, we report that:

a) We have inquired into the state of affairs of the Company in relation to its audited financial statements as at and for the year ended 31 March 2020 which has been approved by the Board of Directors of the Company on June 25, 2020.

b) The amount of permissible capital payment towards the proposed buy back of equity shares as computed in the Statement attached herewith is in our view properly determined in accordance with Section 68 (2) (b) including Explanation II to section 68 of the Act. The amounts of share capital and free reserves have been extracted from the audited financial statements of the Company as at and for the year ended 31 March 2020; and

c) The Board of Directors of the Company, in their meeting held on January 28, 2021 have formed their opinion as specified in clause (x) of Schedule I to the SEBI Buyback Regulations, on reasonable grounds and that the Company, having regard to its state of affairs, will not be rendered insolvent within a period of one year from the date of passing the Board meeting resolution i.e. January 28, 2021.

Restriction on Use

10. This report has been issued at the request of the Company solely for use of the Company (i) in connection with the proposed buy-back of equity shares of the Company in pursuance to the provisions of Sections 68 and other applicable provisions of the Companies Act, 2013 and the SEBI Buyback Regulations, (ii) to enable the Board of Directors of the Company to include in the public announcement and other documents pertaining to buy-back to be sent to the shareholders of the Company or filed with (a) the Registrar of Companies, Securities and Exchange Board of India, stock exchanges, public shareholders and any other regulatory authority as per applicable law and (b) the Central Depository Services (India) Limited, National Securities Depository Limited and (iii) for providing to the Managers, each for the purpose of extinguishment of equity shares and may not be suitable for any other purpose.

Accordingly, we do not accept or assume any liability for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

We are also not responsible for changes, events and circumstances occurring after the date of this report which may require an updation of this report.

For F P & ASSOCIATES
CHARTERED ACCOUNTANTS
(Firm Regn. No. 143262W)
(F.S.SHAH)
PARTNER
Mem. No. 133589

Date: 28.01.2021
Place: Ahmedabad
UDIN: 21133589AAAAAH7079

Annexure A- Statement of permissible capital payment

Computation of amount of permissible capital payment towards buyback of equity shares in accordance with section 68(2) (b) of the Act based on audited financial statements as at and for the year ended March 31, 2020

Particulars	Amount (₹ In Crores)	
Paid up Share Capital as on March 31, 2020 (1,11,45,000 equity shares of ₹ 10 each)		11.145
Free reserves as on March 31, 2020		
- Retained Earnings	58.080	
-General Reserves	0.129	58.209
TOTAL		**69.354**
Maximum amount permitted for Buy-back i.e. 10% of the total paid up share capital and free reserves as on March 31, 2020		**6.935**

Place: Ahmedabad
Date: 28.01.2021

For Freshtrop Fruits Limited
Authorised signatory

Unquote

7. The Company shall not Buyback through negotiated deals whether on or off the Stock Exchange or through spot transactions or through any private arrangements. Further, as required under the Companies Act and Buyback Regulations, the Company will not Buyback Equity Shares which are locked-in or non-transferable, until the pendency of such lock-in, or until the time such Equity Shares become transferable, as applicable.

8. No scheme of amalgamation or compromise or arrangement pursuant to the Companies Act is pending in relation to the Company as on the date of this Public Announcement.

9. The Buyback is subject to such sanctions and approvals as may be required under applicable laws and regulations. The Buyback shall be subject to such necessary approvals as may be required, and the Buyback from erstwhile overseas corporate bodies and other applicable categories shall be subject to such approvals of the Reserve Bank of India, if any, under the Foreign Exchange Management Act, 1999 and the rules and regulations framed thereunder and the same shall be procured by such Members, if applicable.

10. The Company shall transfer from its free reserves and/or securities premium account a sum equal to the nominal value of the Equity Shares which are purchased through the Buyback to the capital redemption reserve account and the details of such transfer shall be disclosed in its subsequent audited financial statements.

11. The Buyback shall be implemented in the manner and following the procedure prescribed in the Companies Act and the Buyback Regulations, and as may be determined by the Board of Directors and on such terms and conditions as may be permitted by law from time to time.

Part B -Disclosures in accordance with the Schedule IV of the Buyback Regulations

1 DATE OF BOARD AND MEMBERS' APPROVAL FOR THE BUYBACK:

The Buyback has been approved by the Board in the Board Meeting dated January 28, 2021.

2 MINIMUM AND MAXIMUM NUMBER OF EQUITY SHARES PROPOSED TO BE BOUGHT BACK, SOURCES OF FUNDS AND COST OF FINANCING THE BUYBACK

2.1 The actual number of Equity Shares bought back will depend upon the actual price paid for the Buyback, excluding the Transaction Costs paid for the Equity Shares bought back, and the aggregate amount paid in the Buyback, subject to the Maximum Buyback Size. The actual reduction in outstanding number of Equity Shares would depend upon the price at which the Equity Shares of the Company are traded at the Stock Exchange as well as the total number of Equity Shares bought back by the Company from the open market through the Stock Exchange during the Buyback period.

2.2 At the Maximum Buyback Price and for Maximum Buyback Size, the indicative maximum number of Equity Shares bought back would be 7,50,000 (Seven Lakhs Fifty Thousands only) Equity Shares. If the Equity Shares are bought back at a price below the Maximum Buyback Price, the actual number of Equity Shares bought back could exceed the indicative Maximum Buyback Shares (assuming full deployment of Maximum Buyback Size) but will always be subject to the Maximum Buyback Size. Further, the number of Equity Shares to be bought back will not exceed 25% of the total paid up equity capital of the Company.

2.3 Further, the Company shall utilize at least 50% of the Maximum Buyback Size i.e. ₹ 337.50 lakhs (Rupees Three Crores Thirty Seven Lakhs Fifty Thousands only) towards the Buyback and the Company will accordingly purchase an indicative minimum of 3,75,000 (Three Lakhs Seventy Five Thousands only) Equity Shares, based on the Maximum Buyback Price.

2.4 The Buyback (including the Transaction Costs) will be funded from the accumulated surplus funds available with the Company, in the form of current investments including Non-Covertible Debentures and mutual funds and will be drawn out of free reserves, the securities premium account of the Company or such other source, in accordance with Section 68(1) of the Companies Act and Regulation 4(ix) of the Buyback Regulations.

3 PROPOSED TIMETABLE

Activity	Day & Date
Date of the Board meeting approving the Buy Back	Thursday, January 28, 2021
Date of publication of Public Announcement	Monday, February 1, 2021
Date of opening of Buy Back	Wednesday, February 10, 2021
Acceptance of Demat Shares	Upon the relevant pay-out by the Stock Exchange
Extinguishment of Demat Shares	In case the Demat Shares are bought back, the same will be extinguished in the manner specified in the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, as amended and the bye-laws framed thereunder.
Last date for the completion of the Buyback	Earlier of: (a) six months from the date of the opening of the Buyback; or (b) when the Company completes the Buyback by deploying the amount equivalent to the Maximum Buyback Size; or (c) at such earlier date as may be determined by the Board of Directors after giving notice of such earlier closure, subject to the Company having deployed an amount equivalent to the Minimum Buyback Size (even if the Maximum Buyback Size has not been reached or the Maximum Buyback Shares have not been bought back), provided, that all payment obligations relating to the Buyback shall be completed before the last date for the Buyback.

4 PROCESS AND METHODOLOGY TO BE ADOPTED FOR THE BUYBACK

4.1 The Buyback is open to all beneficial owners holding Equity Shares in dematerialised form (**"Demat Shares"**). Shareholders holding Equity Shares in physical form can participate in the Buyback after such Equity Shares are dematerialized by approaching depository participant. The Promoters and promoter group of the Company shall not participate in the Buyback.

4.2 Further, as required under the Companies Act and Buyback Regulations, the Company will not Buyback Equity Shares which are locked-in or non-transferable, until the pendency of such lock-in, or until the time such Equity Shares become transferable, as applicable.

4.3 The Buyback will be implemented by the Company by way of open market purchases through the Stock Exchange, by the order matching mechanism except "all or none" order matching system, as provided under the Buyback Regulations.

4.4 For the implementation of the Buyback, the Company has appointed Innovate Securities Private Limited as the Company's Broker through whom the purchases and settlements on account of the Buyback would be made by the Company.

The contact details of the Company's Broker are as follows:
Innovate Securities Private Limited
1st Floor, Devashish, 39, Sardar Patel Nagar,
Navrangpura, Ahmedabad - 380006
Tel: +91-79-26474500 | **Fax:** +91-79-26423759 | **Email:** innovate93@yahoo.co.in
Contact Person: Mr. Amar M. Parikkh | **SEBI Reg. No.** INZ000224735

4.5 The Equity Shares are traded in dematerialised mode under the trading code(s) 530077 at BSE. The ISIN of the Equity Shares of the Company is INE795D01011.

4.6 The Company shall, commencing from February 10, 2021 (i.e., the date of opening of the Buyback), place "buy" orders on the BSE on the normal trading segment to Buyback the Equity Shares through the Company's Broker, at least once in week, in such quantity and at such price, not exceeding the Maximum Buyback Price of ₹ 90 (Rupees Ninety only) per Equity Share, as it may deem fit, depending upon the prevailing market price of the Equity Shares on the Stock Exchange. When the Company has placed an order for Buyback of Equity Shares, the identity of the Company as purchaser shall appear on the electronic screen of the Stock Exchange.

4.7 **Procedure for Buyback of Demat Shares:** Beneficial owners holding Demat Shares who desire to sell their Equity Shares in the Buyback, would have to do so through their stock broker, who is a registered member of the Stock Exchange by indicating to their broker the details of the Equity Shares they intend to sell whenever the Company has placed a "buy" order for Buyback of the Equity Shares. The Company shall place a "buy" order for Buyback of Demat Shares, by indicating to the Company's Broker, the number of Equity Shares it intends to buy along with a price for the same. The trade would be executed at the price at which the order matches the price tendered by the beneficial owners and that price would be the Buyback price for that beneficial owner. The execution of the order, issuance of contract note and delivery of the stock to the member and receipt of payment would be carried out by the Company's Broker in accordance with the requirements of the Stock Exchange and SEBI. Orders for Equity Shares can be placed on the trading days of the Stock Exchange.

4.8 It may be noted that a uniform price would not be paid to all the Members / beneficial owners pursuant to the Buyback and that the same would depend on the price at which the trade with that particular Members / beneficial owner was executed.

4.9 **Procedure for Buyback of Physical Shares:** As per the proviso to regulation 40(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI's press releases dated December 3, 2018, and March 27, 2019, effective from April 1, 2019, transfers of securities shall not be processed unless the securities are held in the dematerialized form with a depository ("LODR Amendment"). In light of the LODR Amendment and SEBI circular SEBI/HO/CFD/CMD1/CIR/P/2020/144dated July 31, 2020, the Company shall not accept the Equity Shares tendered under the Buyback unless such Equity Shares are in dematerialised form.

ACCORDINGLY, ALL SHAREHOLDERS OF THE COMPANY HOLDING EQUITY SHARES IN PHYSICAL FORM AND DESIROUS OF TENDERING THEIR EQUITY SHARES IN THE BUYBACK ARE ADVISED TO APPROACH THE CONCERNED DEPOSITORY PARTICIPANT TO HAVE THEIR EQUITY SHARES DEMATERIALIZED. IN CASE ANY SHAREHOLDER HAS SUBMITTED EQUITY SHARES IN PHYSICAL FORM FOR DEMATERIALIZATION, SUCH SHAREHOLDERS SHOULD ENSURE THAT THE PROCESS OF DEMATERIALIZATION IS COMPLETED WELL IN TIME SO THAT THEY CAN PARTICIPATE IN THE BUYBACK BEFORE BUYBACK CLOSING DATE.

4.10 Members are requested to get in touch with the Chartered Capital And Investment Limited ("Merchant Banker") or the Company's Broker or the Registrar and Share Transfer Agent of the Company to clarify any doubts in the process.

4.11 Subject to the Company purchasing Equity Shares for an amount equivalent to the Minimum Buyback Size, nothing contained herein shall create any obligation on the part of the Company or the Board of Directors to Buyback any additional Equity Shares or confer any right on the part of any Member to have any Equity Shares bought back, even if the Maximum Buyback Size has not been reached, and/or impair any power of the Company or the Board of Directors to terminate any process in relation to the Buyback, to the extent permissible by law. The Company is under no obligation to utilize the entire amount of Maximum Buyback Size or buy all the Maximum Buyback Shares. However, if the Company is not able to complete the Buyback equivalent to the Minimum Buyback Size, except for the reasons mentioned in the Buyback Regulations, the amount held in the escrow account (up to a maximum of 2.5% of the Maximum Buyback Size), shall be liable to be forfeited and deposited in the Investor Protection and Education Fund of SEBI or as directed by SEBI in accordance with the Buyback Regulations.

4.12 The Company shall submit the information regarding the Equity Shares bought back by it to the Stock Exchange on a daily basis in accordance with the Buyback Regulations. The Company shall also upload the information regarding the Equity Shares bought back by it on its website i.e. www.freshtrop.com on a daily basis.

5 METHOD OF SETTLEMENT

5.1 Settlement of Demat Shares: The Company will pay consideration for the Buyback to the Company's Broker on or before every pay-in date for each settlement, as applicable to the Stock Exchange. The Company shall open a depository account styled "FRESHTROP FRUITS LIMITED–BUYBACK 2021- ESCROW ACCOUNT" ("Buyback Demat Account") with Innovate Securities Private Limited. Demat Shares bought back by the Company will be transferred into the Buyback Demat Account by the Company's Broker, on receipt of such Demat Shares and after completion of the clearing and settlement obligations of the Stock Exchange. Beneficial owners holding Demat Shares would be required to transfer the number of such Demat Shares sold to the Company pursuant to the Buyback, in favour of their stock broker through whom the trade was executed, by tendering the delivery instruction slip to their respective depository participant ("DP") for debiting their beneficiary account maintained with the DP and crediting the same to the broker's pool account as per procedure applicable to normal secondary market transactions. The beneficial owners would also be required to provide to the Company's Broker, copies of all statutory consents and approvals required to be obtained by them for the transfer of their Equity Shares to the Company as referred to in Paragraph 12 of Part B.

5.2 Extinguishment of Demat Shares: The Demat Shares bought back by the Company shall be extinguished and destroyed in the manner specified in the Securities and Exchange Board of India (Depository and Participants) Regulations, 2018, as amended and by-laws, in the manner specified in the Buyback Regulations and the Companies Act. The Equity Shares lying in credit in the Buyback Demat Account will be extinguished within 15 (fifteen) days of acceptance of the Demat Shares, provided that the Company undertakes to ensure that all Demat Shares bought back by the Company are extinguished within 7 (seven) days from the last date of completion of the Buyback.

5.3 Consideration for the Equity Shares bought back by the Company shall be paid only by way of cash.

6 BRIEF INFORMATION ABOUT THE COMPANY

6.1 The Company was incorporated in the name of Freshtrop Fruits Private Limited on September 30, 1992 in the Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Thereafter a fresh certificate of incorporation consequent upon change of name on conversion of the company to public limited company in the name of the "Freshtrop Fruits Limited" was granted by ROC on September 22, 1994.The Corporate Identification Number ("CIN") of the Company is L15400GJ1992PLC018365. The Equity Shares of the Company are listed on the BSE Limited (Code: 530077).

6.2 The company is presently engaged in two business segments i.e. Fresh Fruits and Processed Fruits and Vegetables.

Fresh Fruits: The Company's principal business which consists of fresh grapes.

Processed Fruits and Vegetables: It consists of Mango pulp, Guava pulp, Pomegranate concentrate, Coconut chunks, Watermelon Pulp and Puree and cold processed juice.

6.3 The registered office of the Company is situated at A-603, Sapath-IV, Opp. Karnavati Club, S. G. Highway, Ahmedabad – 380 015.

7 BRIEF FINANCIAL INFORMATION ABOUT THE COMPANY

(₹ In Lakhs)

Sr. No.	Particulars	Nine Months Ended	Year Ended		
		December 31, 2020	March 31, 2020	March 31, 2019	March 31, 2018
		Unaudited Ind-AS	Audited Ind-AS	Audited Ind-AS	Audited Ind-AS
I	Total Income (including other income)	9314.23	16698.02	17605.02	17795.87
II	Total Expenses excluding Finance costs, Depreciation & Amortization expenses and Tax	8117.99	15438.37	15166.18	15911.35
III	Finance Costs	78.79	120.30	131.65	80.48
IV	Depreciation & Amortization	394.62	537.55	517.51	416.10
V	Profit/(loss) before tax and exceptional Item	**722.84**	**601.80**	**1789.68**	**1387.94**
VI	Exceptional Item	0.00	0.00	0.00	57.68
VII	Profit/(loss) before tax	**722.84**	**601.80**	**1789.68**	**1330.26**
VIII	Provision for tax (including Deferred Tax)	190.24	139.88	415.28	499.85
IX	Profit/ (Loss) after tax	**532.60**	**461.92**	**1374.40**	**830.41**
X	Other Comprehensive Income/(loss)-net of Tax	(68.09)	59.16	179.06	(175.21)
XI	Total Comprehensive Income / (Loss)	**464.50**	**521.08**	**1553.47**	**655.20**
XII	Equity Share Capital	1114.50	1114.50	1214.50	1214.50
XIII	Other Equity/Reserves & Surplus*	6362.47	5820.89	6428.51	5047.89
XIV	Net worth	7476.97	6935.39	7643.01	6262.39
XV	Total debt	1095.77	3291.99	3872.35	4148.07

*Excluding Capital reserve, Capital Redemption Reserve and cash flow hedge reserve through OCI

Continue...

PEE CEE COSMA SOPE LTD.

CIN: L24241UP1986PLC008344 www.doctorsoap.com
Regd Office:G-10/8, Padam Deep, Sanjay Place, Agra-282002, Uttar Pradesh
Tel.No. 0562-2527332, Fax.No. 0562-2527329, e-mail: pccosmalisting@doctorsoap.com

PUBLIC NOTICE

Pursuant to Regulation 47(1)(a) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, Notice is hereby given that a Meeting of Board of Directors of the Company is scheduled to be held on **Saturday, 13th February, 2021** inter alia to approve and take on record the Un Audited Financial Results for the Quarter ended **31st December, 2020**. Trading Window for dealing in securities of the Company is under closure from **3rd January, 2021** and will remain closed till the end of 48 hours after the Results are made public on **13th February, 2021**. The Notice is also available on the Stock Exchanges website www.bseindia.com and company's website www.doctorsoap.com

For & on behalf of the Board
PEE CEE COSMA SOPE LIMITED
ANKUR JAIN
(Managing Director) DIN:00172356

Place : Agra
Date : 30.01.2021

एसजेवीएन लिमिटेड SJVN Limited

(भारत सरकार एवं हिमाचल प्रदेश सरकार का संयुक्त उपक्रम)
(A Joint Venture of Govt. of India & Govt. of H.P.)
CIN No. L40101HP1988GOI008409

NOTICE

Pursuant to Regulation 29 read with Regulation 47 of the SEBI Listing Obligations and Disclosure Requirements (LODR) Regulations, 2015, Notice is hereby given that a Meeting of the Board of Directors is scheduled to be held on **Friday, 12th February, 2021** at New Delhi to inter alia consider the Financial Results of the Company for the Third Quarter ending **31st December, 2020** and to declare interim dividend for the FY 2020-21, if any.

The said Notice may also be accessed on the Company's Website at **http.//www.sjvn.nic.in** and also on the websites of the Stock Exchanges at **http.//www.bseindia.com** and **http.//www.nseindia.com**.

For and on behalf of SJVN Ltd.
Soumendra Das
Company Secretary

Date: 01.02.2021
Place: Shimla

Regd. Office: SJVN Corporate Office Complex, Shanan, Shimla - 171006 (HP)
Tel: 0177-2660070, Email: investor.relations@sjvn.nic.in, Website: www.sjvn.nic.in

THE MYSORE LAMP WORKS LTD.

(A Public Sector Enterprise of Government of Karnataka)
Old Tumkur Road, Malleswaram West, Bengaluru - 560 055.
Tel.: 080-23340182 **e-mail:** mylampsblr@gmail.com
CIN: UI7111KA1936PLC000182

No.: IC/MLWL/BV/2020-21/1 Date :01.02.2021

Tender for Selection of Firm for carrying out Business Valuation of MLWL

(Through E-Procurement only)

The Mysore Lamp Works Limited is a Public Sector Enterprise of the Government of Karnataka, which was engaged in manufacturing and trading of various types of lamps and lamp components. This PSU is not in operation since about 20 years and now the State Government proposes to utilise the land assets of the Company for novel public projects. In view of this, it is necessitated to carryout Business Valuation of the Company through a reputed valuation firm.

Tender Document containing details of eligibility criteria, scope of work and other terms and conditions may be obtained from the website of Department of e-procurement, Government of Karnataka.The last date for submission of Tenders at **http://www.eproc.karnataka.gov.in** is **19.02.2021 by 4.30 p.m.** MLWL reserves the right to reject any or all Proposals without assigning any reason, whatsoever.

Sd/- Managing Director, MLWL

J. KUMAR INFRAPROJECTS LIMTIED

CIN : L74210MH1999PLC122886
16-A, Andheri Industrial Estate, Veera Desai Road, Andheri (W), Mumbai-400 058 **Tel. No :** (022) 6774 3555 **Fax No :** (022) 2673 0814
Website: www.jkumar.com

NOTICE

Notice is hereby given that Board Meeting of the Company will be held on **Tuesday, 9th February, 2021,** inter alia, to consider and take on record the Un Audited Financial Results for the third quarter and nine months ended on 31st December, 2020.

The said notice is also available on the website of the Company at www.jkumar.com as well as on the website of the BSE at www.bseindia.com and at the National Stock Exchange of India Limited at www.nseindia.com

For J. Kumar Infraprojects Limited
Sd/-
Poornima Reddy
Company Secretary

Date : 29th January, 2021
Place : Mumbai

Can Fin Homes Ltd

HAVE A HOME A CAN FIN HOME
(Sponsor : CANARA BANK)
HOME LOANS • DEPOSITS
Translating Dreams into Reality

Can Fin Homes Ltd.
Registered Office:
29/1, Sir M N Krishna Rao Road,
Basavanagudi, Bangalore 560 004
E-mail: development@canfinhomes.com
Website: www.canfinhomes.com
Tel: 080-26567655. Fax: 080-26565746
CIN:L85110KA1987PLC008699

RATE OF INTEREST ON PUBLIC DEPOSITS W.E.F 01/02/2021

Rated MAAA by ICRA *(Stable Outlook)*

FIXED DEPOSIT SCHEME*/CUMULATIVE DEPOSIT SCHEME**

Period in Months	Deposits upto Rs.1 cr: General Rates	Deposits upto Rs.1 cr: For Senior Citizens	Bulk Deposits: > Rs. 1 cr
12	6.00%	6.50%	6.00%
13-36	6.25%	6.75%	6.25%
37-48	6.25%	6.75%	6.25%
49–60	6.25%	6.75%	6.25%

** Monthly/Quarterly/half yearly/yearly interest payment options available*
(Minimum Deposit - Rs. 2,00,000/-) Minimum period of deposit – 12 months
*** Interest compounded quarterly*
(Minimum Deposit – Rs. 20,000/-) Minimum period of deposit – 12 months

This abridged advertisement appears further to the statutory deposit advertisement published by the Company in Financial Express and Kannada Prabha dated 27/08/2020. All other terms and conditions in the said advertisement remain unchanged.

HIRA

GODAWARI POWER & ISPAT LIMITED

Regd. Office: 428/2,Phase-I, Industrial Area, Siltara,Raipur (C.G.) Corporate Office: Hira Arcade, Pandri, Raipur (C.G.) 492001
CIN.: L27106CT1999PLC013756, Tel : 0771-4082000, Website: www.godawaripowerispat.com , E-mail: yarra.rao@hiragroup.com

PERFORMANCE HIGHLIGHTS (CONSOLIDATED)

Turnover 35% | EBITA 163% | PAT 448% | Interim Dividend 50%

EXTRACT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER & NINE MONTHS ENDED 31ST DECEMBER, 2020

(Rs In Crores)

S. No.	Particulars	CONSOLIDATED 3 MONTHS ENDED Unaudited 31.12.2020	30.09.2020	31.12.2019	9 MONTHS ENDED Unaudited 31.12.2020	31.12.2019	YEAR ENDED Audited 31.03.2020
1	Total income from Operations	1132.49	967.49	841.51	2812.29	2505.44	3293.18
2	Earnings Before Interest, Depreciation Tax (EBITDA)	347.86	235.21	132.29	741.89	475.64	628.90
3	Net Profit / (Loss) for the period (before Tax, Exceptional and/or Extraordinary items)	275.55	155.57	47.19	507.72	211.70	280.07
4	Net Profit / (Loss) for the period before tax (after Exceptional and/or Extraordinary items)	275.55	155.57	47.19	507.72	211.70	269.79
5	Net Profit / (Loss) for the period after tax (after Exceptional and/or Extraordinary items)	166.36	103.76	30.34	320.48	140.21	174.43
6	Total Comprehensive Income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	180.20	112.95	33.66	348.83	140.02	166.11
7	Paid Up Equity Share Capital (Face value of Rs. 10/- each)	34.11	34.11	34.11	34.11	34.11	34.11
8	Earnings Per Share (of Rs. 10/- each) (for continuing and discontinued operations)(beforeand after extraordinary items) -						
	(a) Basic	45.64	29.55	8.41	88.39	37.86	47.33
	(b) Diluted	45.64	29.55	8.41	88.39	37.86	47.33

The additional Information on Standalone Financial Results is as below:

S. No.	Particulars	3 MONTHS ENDED Unaudited 31.12.2020	30.09.2020	31.12.2019	9 MONTHS ENDED Unaudited 31.12.2020	31.12.2019	YEAR ENDED Audited 31.03.2020
1	Total Income From Operations	954.47	876.96	719.73	2406.29	2129.89	2776.90
2	Earnings Before Interest, Depreciation Tax (EBITDA)	280.03	200.42	96.98	577.68	337.30	442.90
3	Profit/(Loss) before tax	292.56	144.28	35.65	476.00	149.66	197.64
4	Profit/(Loss) after tax	203.03	94.17	21.09	321.82	94.45	121.40

Notes : 1. The Financial Results of the company for the quarter and nine months ended 31st December, 2020 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on **30th January, 2021** and the Limited Review of the same has been carried out by the Auditors.
2. The above is an extract of the detailed format of financial results filed for the quarter & nine months ended **31st December, 2020** filed with stock exchanges under regulation 33 & other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full formats of the financial results are available on the stock exchange websites **(www.bseindia.com and www.nseindia.com)** and on the Company's website **(www.godawaripowerispat.com)**

For and on behalf of Board of Directors
Sd/-
Abhishek Agrawal
Executive Director

Place: Raipur
Date: 30.01.2021

BCPL Railway Infrastructure Limited

CIN:L51109WB1995PLC075801
Regd. off.: 112 Raja Ram Mohan Roy Sarani, Kolkata - 700009
Tel.: 033-2219 0085, Fax: 033-2241 8401
Website: www.bcril.com; E-mail: investors@bcril.com

EXTRACT OF THE STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND 9 MONTHS ENDED DECEMBER 31ST 2020

(₹ in Lacs)

Particulars	Quarter ended December 31, 2020 Unaudited	Nine Months ended on December 31, 2020 Unaudited	Quarter ended December 31, 2019 Unaudited
1. Total Income from Operations (net)	2,137.94	3,972.95	3,124.42
2. Net Profit / (Loss) before Tax, exceptional and/or extra ordinary items	310.27	657.27	260.21
3. Net Profit / (Loss) before Tax (after exceptional and/or extra ordinary items)	325.27	631.5	238.64
4. Net Profit / (Loss) for the period after tax (after exceptional and/or extraordinary Items)	248.02	474.83	177.34
5. Total Comprehensive Income for the period (comprising profit/loss) for the period (after tax) and other comprehensive income (after tax)	-	-	-
6. Equity Share Capital	1672.36	1672.36	1672.36
7. Reserve excluding Revaluation Reserves (as per balance sheet as on 31st March, 2020)	-	-	4810.39
8. Earnings Per Share (of ₹ 10/- each):			
a. Basic	1.48	2.84	1.06
b. Diluted	1.48	2.84	1.06

NOTES :

a. The above is an extract of the detailed format of unaudited quarterly financial results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing and Other Disclosures Requirements) Regulations, 2015. The full format of the unaudited Quarterly Financial Results are available on the websites of BSE Limited (www.bseindia.com) and on the website of the Company at www.bcril.com.

For and on behalf of the Board of Directors of
BCPL Railway Infrastructure Limited
SD/-
Jayanta Kumar Ghosh
Managing Director
(DIN: 00722445)

Place: Kolkata
Dated : 30.01.2021

NOTICE

Notice is hereby given in terms of Regulation 47 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any, that a Meeting of the Board of Directors of the Company (the "Board") is scheduled to be held on Friday, 12th February, 2021 to, inter alia, consider standalone and consolidated Unaudited Financial Results for the quarter/period ended 31st December, 2020.

The details of the said Results as approved by the Board will be available on the website of the Company (i.e. www.finolex.com) and on the websites of BSE Limited (i.e.www.bseindia.com) and National Stock Exchange of India Limited (i.e.www.nseindia.com).

For Finolex Cables Limited
R. G. D'SILVA
Company Secretary & President (Legal)

Place: Pune
Date: 1st February, 2021

Regd. Office : 26-27, Mumbai-Pune Road, Pimpri, Pune 411 018 (India)
Tel : 020-27475963 | Fax : 020-27470344
CIN : L31300MH1967PLC016531
Visit us at : www.finolex.com | Email : sales@finolex.com

Finolex Cables Limited

Note:

a. The financial results for the nine months ended December 31, 2020 and audited financial statements for years ended March 31, 2020, March 31, 2019 and March 31, 2018 have been prepared in accordance with Ind-AS notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 to the extent applicable ("Ind-AS Financial Statements").

b. For the above purpose, "Net Worth" means the total shareholder's fund reduced by Capital Reserve, Capital Redemption Reserve, Cash Flow Hedge Reserve through OCI and miscellaneous expenditure not written off, as per the audited balance sheet, but not included reserves created out of revaluation of assets, write back of depreciation and amalgamation.

c. Total income and Total expenses for the nine months ended 31st December 2020 are as per published quarterly results (unaudited) prepared as per IND-AS.

d. The term debt as used herein includes secured loans, working capital loans obtained by the Company from the bank, unsecured loan obtained by the Company from the director and it does not include normal trade payable and other current liabilities etc. total debts as at 31st December 2020 have been taken from unaudited books of account since this information is not required to be furnished in the unaudited financial results for the Nine month ended 31st December 2020.

e. The above information is based on audited financial statements of Freshtrop fruits Limited as at 31st March 2020, 31st March 2019 and 31st March 2018, unaudited financial statement of Freshtrop Fruits Limited as at 31st December 2020 certified by the management of Freshtrop Fruits Limited and unaudited financial results for the nine months ended December 31, 2020.

Key Financial Ratios

Sr. No.	Particulars	Nine Months Ended December 31, 2020 Unaudited	Year Ended March 31, 2020 Audited	March 31, 2019 Audited	March 31, 2018 Audited
1	Earnings/(Loss) per Share – Basic (₹)	4.78	3.89	11.32	6.84
2	Earnings/(Loss) per Share – Diluted (₹)	4.78	3.89	11.32	6.84
3	Book Value Per Share (₹)	67.09	58.39	62.93	51.56
4	Return on Net worth (%) (excluding OCI)	7.12%	6.66%	17.98%	13.26%
5	Return on Net worth (%) (including OCI)	6.21%	7.51%	20.33%	10.46%
6	Debt-Equity Ratio Total Debt/ Net worth	0.15	0.47	0.51	0.66

Note:

1 Earnings/(Loss) per share is calculated as profit after tax (before OCI item) for the relevant year/period divided by average number of equity shares outstanding during the year/period.
2 Book value per Share = Net Worth divided by average number of equity shares outstanding during the year/period.
3 Return on Net worth = Profit/(Loss) after Tax/ Net Worth
4 Debt-Equity Ratio = Total Debt /Net Worth

8 DETAILS OF ESCROW ACCOUNT OPENED AND THE AMOUNT DEPOSITED THEREIN

8.1 In accordance with Regulation 20 of the Buyback Regulations and towards security for performance of its obligations under the Buyback Regulations, the Company has entered into an escrow agreement dated January 28, 2021 ("Escrow Agreement") with the Merchant Banker and Axis Bank Limited ("Escrow Bank") pursuant to which the Company has opened an escrow account titled FRESHTROP FRUITS LIMITED - BUYBACK OFFER 2021 – ESCROW ACCOUNT ("The Escrow Account").The Company has authorized the Merchant Banker to operate the Escrow Account in compliance with the Buyback Regulations and the Escrow Agreement. The Company has deposited in the Escrow Account, cash aggregating to ₹ 200 lakhs (Rupees Two Crores only), being 29.63% of the Maximum Buyback Size ("Escrow Amount") in accordance with the Buyback Regulations.

8.2 The funds in the Escrow Account may be released for making payment to the Members subject to at least 2.5% of the Maximum Buyback Size remaining in the Escrow Account at all points in time.

8.3 If the Company is not able to complete the Buyback equivalent to the Minimum Buyback Size, except for the reasons mentioned in the Buyback Regulations, the amount held in the Escrow Account (up to a maximum of 2.5% of the Maximum Buyback Size), shall be liable to be forfeited and deposited in the Investor Protection and Education Fund of SEBI or as directed by SEBI in accordance with the Buyback Regulations.

8.4 The balance lying to the credit of the Escrow Account will be released to the Company on completion of all obligations in accordance with the Buyback Regulations

9 LISTING DETAILS AND STOCK MARKET DATA

9.1 The Equity Shares are currently listed and traded on the BSE Limited.

9.2 The high, low and average market prices of the Equity Shares for the preceding three years and the monthly high, low and average market prices of the Equity Shares for the six months preceding the date of this Public Announcement and their corresponding volumes on the BSE are as follows:

Period	High Price (Rs)	Date of High Price	Number of shares traded on that date	Low Price (Rs)	Date of Low Price	Number of shares traded on that date	Average Price (Rs)	Total Volume Traded in the period (No. of shares)
PRECEDING 3 YEARS								
2017-2018	218.00	October 17 & 18, 2017	198958 & 65180	85.00	June 6, 2017	40312	134.95	9246968
2018-2019	197.80	January 14, 2019	91695	91.95	July 19, 2018	13189	142.48	5804943
2019-2020	178.00	April 12, 2019	99744	36.00	March 19, 2020 & March 24, 2020	8599 & 4669	101.83	2368077
PRECEDING 6 MONTHS								
July 2020	66.00	July 1, 2020	7962	50.00	July 3, 2020	9229	57.36	329983
August 2020	78.70	August 25, 2020	71138	53.25	August 3, 2020	12396	62.31	596447
September, 2020	66.20	September 21, 2020	17857	53.05	September 24, 2020	21156	58.72	238502
October 2020	62.90	October 15, 2020	12315	55.00	October 28, 2020	1053	57.90	129998
November 2020	69.75	November 20, 2020	11215	50.55	November 12, 2020	17466	60.70	398170
December 2020	75.00	December 7, 2020	27162	62.10	December 21, 2020	22217	67.31	478853

(Source: www.bseindia.com)
Note: High and Low price for the period are based on intraday prices and Average Price is based on average of daily closing price of the period.

9.3 There has been no change in the Equity Share capital of the Company including by way of bonus issue, rights issue or consolidation or split of Equity Shares during the period for which data has been disclosed in the table above except by way of Buyback of 10,00,000 Equity Shares completed by the Company during the calendar year 2019.

9.4 The closing market price of the Equity Shares on January 29, 2021, i.e., the first trading day after the Date of the Board Meeting, was ₹ 69.35 per Equity Share on the BSE.
(Source: www.bseindia.com)

10 PRESENT CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

10.1 The capital structure of the Company as on the date of this Public Announcement and the proposed capital structure of the Company post the completion of the Buyback is set forth below:

Particulars	As on the date of PublicAnnouncement (₹ In lakhs)	Post Completion of Buyback (₹ In lakhs)
Authorized Share Capital		
1,50,00,000 Equity Shares of ₹ 10 each	1500.00	1500.00
Total	**1500.00**	**1500.00**
Issued, Subscribed and Paid-up Capital:		
1,11,45,000 Equity Shares of ₹ 10 each	1114.50	1039.50
Total	**1114.50**	**1039.50**

Note: Assuming that the indicative Maximum Buyback Shares are bought back. The actual post Buyback issued, subscribed and paid-up capital may differ depending upon the actual number of Equity Shares bought back.

10.2 As on the date of this Public Announcement, there are no Equity Shares which are partly paid up or with call-in arrears and there are no outstanding instruments convertible into Equity Shares.

10.3 The shareholding pattern of the Company as on the date of this Public Announcement (pre-Buyback) and the proposed shareholding pattern of the Company post the completion of the Buyback is given below:

Category of Shareholder	Pre Buyback: Number of Equity Shares	Pre Buyback: % to the existing Equity Share capital	Post Buyback: Number of Equity Shares	Post Buyback: % to post Buyback Equity Share capital
(A) Promoter & Promoter Group	62,55,333	56.13	62,55,333	60.18
(B) Public	48,89,667	43.87	41,39,667	39.82
(C1) Shares underlying DRs	0	0.00		
(C2) Shares held by Employee Trust	0	0.00		
(C) Non Promoter –Non Public	0	0.00		
Total	**1,11,45,000**	**100.00**	**1,03,95,000**	**100.00**

\# Assuming that the indicative Maximum Buyback Shares are bought back. The actual post Buyback issued, subscribed and paid-up capital may differ depending upon the actual number of Equity Shares bought back.

As per Regulation 16(ii) of the Buyback Regulations, the Buyback shall not be made from Promoters and Promoter Group of the Company. Further, as per Regulation 24(i)(e) of the Buyback Regulations, the Promoters, Promoter Group and their associates have not dealt in the Equity Shares or other specified securities of the Company either through the Stock Exchange or off-market transactions (including inter-se transfer of Equity Shares among the Promoters) from the date of the Board meeting till the date of the Public Announcement and shall not deal in the Equity Shares or other specified securities of the Company either through the stock exchange or off-market transactions (including inter-se transfer of Equity Shares among the Promoters) from the date of the Public Announcement till the closing of the Buyback.

10.4 The aggregate shareholding of the Promoter and Promoter Group of the Company as on the date of the Board Meeting at which the proposal for Buy-Back was approved and as on the date of the Public Announcement, is as follows:

Sr. No.	Name of Promoter and Promoter Group Entity	No. of Equity Shares	% Shareholding
1	Ashok Vishindas Motiani	15,46,398	13.88
2	Nanita Ashok Motiani	8,55,442	7.68
3	Mayank Ramesh Tandon	4,39,676	3.95
4	Priyanka Tandon	5,80,205	5.21
5	Dipti Ashok Motiani	7,31,964	6.57
6	Freshcap Foodstuff LLP	21,01,648	18.86
	Total	**62,55,333**	**56.13**

While the Promoters and promoter group are not eligible to participate in the Buyback, depending on the number of Equity Shares bought back by the Company, their effective shareholding percentage in the Company will increase accordingly. Any increase in the percentage holding/voting rights of the Promoters is not an active acquisition and is incidental to the Buyback and falls within the limits prescribed under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

10.5 None of the persons mentioned in Paragraph 10.4 above have sold or purchased any Equity Shares of the Company (either through the stock exchange or off market transactions) during the twelve months preceding the date of the Public Announcement.

11 MANAGEMENT DISCUSSION AND ANALYSIS ON THE LIKELY IMPACT OF THE BUYBACK ON THE COMPANY

11.1 The Buyback is expected to enhance overall long term members' value for continuing members, without compromising on the future growth opportunities of the Company, as well as provide an exit opportunity to the public shareholders. The Buyback is not likely to cause any material adverse impact on the earnings of the Company, except a reduction in the treasury income which the Company could have otherwise earned from investments. The Company will also bear the cost of the Buyback transaction.

11.2 The Buyback is proposed, considering the accumulated surplus funds available with the Company being in excess of the surplus amount needed to be retained by the Company for future growth of the Company as envisaged by the Board.

11.3 The Buyback will be funded from the accumulated surplus funds available with the Company, in the form of current investments including Non-Convertible Debentures and mutual funds, and will be drawn out of free reserves, securities premium account of the Company or such other source, in accordance with Section 68(1) of the Companies Act and Regulation 4(ix) of the Buyback Regulations.

11.4 The Buyback may lead to reduction in outstanding Equity Shares, improvement in earnings per share and enhanced return on equity, assuming that the Company would earn similar profits as in the past.

11.5 Pursuant to Regulation 16(ii) of the Buyback Regulations, the Promoters and promoter group of the Company will not participate in the Buyback. The Buyback will not result in a change in control or otherwise affect the existing management structure of the Company.

11.6 Consequent to the Buyback (which excludes participation by the Promoters and promoter group) and based on the number of Equity Shares bought back by the Company from the members including members resident outside India, erstwhile overseas corporate bodies, foreign portfolio investors and non-resident Indian members, the shareholding pattern of the Company would undergo a change; however public shareholding shall not fall below 25% of the total fully paid up Equity Share capital of the Company.

11.7 In accordance with Section 68(2)(d) of the Companies Act, the ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid up Equity Share capital and free reserves post the Buyback.

11.8 In compliance with the provisions of the Buyback Regulations, the Company shall not raise further capital for a period of 1 (one) year from the expiry of the buyback period, except in discharge of its subsisting obligations. Further, the Company shall not issue any Equity Shares or other securities including by way of bonus issue or convert any outstanding employees stock options/outstanding instruments into Equity Shares, till the date of closure of the Buyback in accordance with the Companies Act and the Buyback Regulations.

11.9 Unless otherwise determined by the Board or as may be directed by the appropriate authorities, the Buyback will be completed within a maximum period of 6 (six) months from the date of opening of the Buyback. In accordance with Buyback Regulations, the Company shall not withdraw the Buyback post Public Announcement.

11.10 Consideration for the Equity Shares bought back by the Company shall be paid only by way of cash through normal banking channels to the Company's Broker.

12 STATUTORY APPROVALS

12.1 Pursuant to Sections 68, 69, 70, and all other applicable provisions of the Companies Act and applicable Rules thereunder and the provisions of the Buyback Regulations, and article 73 of the articles of association of the Company, the Company has obtained the Board approval, as mentioned above.

12.2 The Buyback from each Member is subject to all statutory consents and approvals as may be required by such Member under applicable laws and regulations. The Members shall be solely responsible for obtaining all such statutory consents and approvals (including, without limitation the approvals from the Reserve Bank of India, if any) as may be required by them in order to sell their Equity Shares to the Company pursuant to the Buyback. Members would be required to provide copies of all such consents and approvals obtained by them to the Company's Broker.

12.3 The Buyback shall be subject to such necessary approvals as may be required, and the Buyback from erstwhile overseas corporate bodies and other applicable categories shall be subject to such approvals of the Reserve Bank of India, if any, under the Foreign Exchange Management Act, 1999 and the rules and regulations framed thereunder.

12.4 To the best of the knowledge of the Company, no other statutory approvals are required by it for the Buyback as on the date of this Public Announcement. Subject to the obligation of the Members to obtain the consents and approvals necessary for transfer of their Equity Shares to the Company as set out in Paragraph 12.2 of Part B above, the Company shall obtain such statutory approvals as may be required, from time to time, if any, for completion of the Company's obligations in relation to the Buyback.

13 COLLECTION AND BIDDING CENTRES

13.1 The Buyback will be implemented by the Company by way of open market purchases through the Stock Exchange using their nationwide trading terminals. Therefore, the requirement of having collection and bidding centres is not applicable.

14 COMPLIANCE OFFICER AND REGISTRAR TO THE OFFER/ INVESTOR SERVICE CENTRE

14.1 Mr. Ronak Dhruve, Company Secretary & Compliance Officer of the Company, has been appointed as the Compliance Officer for the Buyback in terms of Regulation 24(iii) of the Buyback Regulations. Address: Freshtrop Fruits Limited, A-603, Sapath - IV, Opp. Karnavati Club, SG Highway, Ahmedabad - 380015. Tel: +91-79-40307050-57, Email: secretarial@freshtrop.com

14.2 Bigshare Services Private Limited, having its office at 1st Floor, Bharat Tin Works Building, Opp Vasant Oasis, Makwana Road, Marol, Andheri (E), Mumbai– 400059 Tel: +91-22- 6263 8200; Fax: +91-22-6263 8280; E-mail: buybackoffer@bighsareonline.com; Contact Person: Mr. Arvind Tandel; Website:www.bigshareonline.com; SEBI Registration No: INR000001385, is appointed as the investor service centre for the purposes of the Buyback, in terms of Regulation 24(iii) of the Buyback Regulations.

15 MANAGER TO THE BUY-BACK

Chartered Capital And Investment Limited
711, Mahakant, Opp. V S Hospital, Ellisbridge, Ahmedabad – 380006
Tel: +91-79-2657 7571/2657 5337 | **Fax:** +91-79-2657 5731
Email: info@charteredcapital.net | **Website:** www.charteredcapital.net
Investor Grievance Email: investor.relation@charteredcapital.net
Contact Person: Mr. Manoj Kumar Ramrakhyani/ Mr. Sagar Bhatt
SEBI Registration No.: INM000004018
Corporate Identity Number: L45201GJ1986PLC008577

16 DIRECTORS' RESPONSIBILITY

As per Regulation 24(1)(a) of the Buyback Regulations, the Board accepts responsibility for the information contained in this Public Announcement and any advertisements, circulars, brochures, publicity materials etc. which may be issued in relation to the Buyback and confirms that the information in such documents contain and will contain true, factual and material information and does not and will not contain any misleading information.

For and on behalf of the Board of Directors of Freshtrop Fruits Limited

Sd/-	Sd/-	Sd/-
Ashok V Motiani	**Nanita A Motiani**	**Ronak Dhruve**
Chairman and Managing Director	**Whole Time Director**	**Company Secretary**
(DIN: 00124470)	**(DIN : 00787809)**	**(M. No: A47997)**

Place: Ahmedabad
Date: January 29, 2021

RAKA

Foreign troops to stay in Afghanistan beyond May deadline: NATO sources

REUTERS
Islamabad, January 31

INTERNATIONAL TROOPS PLAN to stay in Afghanistan beyond the May deadline envisaged by the insurgent Taliban's deal with the United States, four senior NATO officials said, a move that could escalate tensions with the Taliban demanding full withdrawal.

"There will be no full withdrawal by allies by April-end," one of the officials told *Reuters*.

"Conditions have not been met," he said on condition of anonymity. "And with the new US administration, there will be tweaks in the policy, the sense of hasty withdrawal which was prevalent will be addressed and we could see a much more calculated exit strategy."

The administration of then-President Donald Trump signed an agreement with the Taliban early last year calling for the withdrawal of all foreign troops by May in return for the insurgents fulfilling certain security guarantees.

Trump hailed the accord — which did not include the Afghan government — as the end of two decades of war. He reduced US troops to 2,500 by this month, the fewest since 2001. Plans on what will happen after April are now being considered and likely to be a top issue at a key NATO meeting in February, the NATO sources said.

The positions of the North Atlantic Treaty Organization (NATO) are becoming increasingly important after the alliance was sidelined by Trump, diplomats and experts say.

Peace talks between the Afghan government and the Taliban began in September in Doha, but violence has remained high.

"No NATO ally wants to stay in Afghanistan longer than necessary, but we have been clear that our presence remains conditions-based," said NATO spokeswoman Oana Lungescu.

No NATO decision has been made, she said, adding that a February meeting NATO defence ministers meeting could not be preempted. "Allies continue to assess the overall situation and to consult on the way forward."

NATO continues to call on all sides to "seize this historic opportunity for peace," Lungescu said. "NATO fully supports the Afghanistan peace process in order to ensure that Afghanistan is no longer a safe haven for terrorists that would attack our homelands," she said.

Around 10,000 troops, including Americans, are in Afghanistan, Lungescu said. The NATO source said troop levels are expected to stay roughly the same until after May, but the plan beyond that is not clear.

Kabul and some foreign governments and agencies say the Taliban has failed to meet conditions due to escalated violence and a failure to cut ties with militant groups such as Al Qaeda, which the Taliban denies.

The administration of Joe Biden, who replaced Trump on January 20, has launched a review of his predecessor's peace agreement.

A Pentagon spokesman said the Taliban have not met their commitments but Washington remained committed to the process and had not decided on future troop levels.

A State Department representative said Biden was committed to bringing a "responsible end to the 'forever wars'... while also protecting Americans from terrorist and other threats."

Afghanistan's presidential palace did not respond to a request for comment.

Blast from the past

A vintage car rally was held in Mumbai on Sunday as part of the Mumbai Festival of the Maharashtra tourism department to boost the city's tourism. The event was organised by Things2do, in partnership with VCCCI and WIAA

Express photo by Pradip Das

British govt set to formally apply for trans-Pacific trade bloc membership

REUTERS
London, January 31

BRITAIN WILL NEXT week formally apply to join a trans-Pacific trading bloc of 11 countries, with negotiations set to start later this year, the government has said.

Since leaving the European Union, Britain has made clear its desire to join the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), which removes most tariffs between Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam.

> **Since leaving the European Union, Britain has made clear its desire to join the CPTPP**

"One year after our departure for the EU we are forging new partnerships that will bring enormous economic benefits for the people of Britain," Prime Minister Boris Johnson said.

Trade minister Liz Truss told *Times Radio*: "On Monday I am putting in the letter of intent" and that she expected formal negotiations will start in the spring.

Reuters reported on Thursday that Britain will not publish an assessment of the economic benefits of CPTPP membership before requesting to join it - contrary to earlier promises.

Previous government economic analyses of Brexit have pointed to small boosts to economic output from additional trade deals.

The government said joining CPTPP would remove tariffs on food and drink and cars, while helping to boost the technology and services sectors.

"Applying to be the first new country to join the CPTPP demonstrates our ambition to do business on the best terms with our friends and partners all over the world and be an enthusiastic champion of global free trade," Johnson said.

Queen Elizabeth to host Biden before G7 summit in June

QUEEN ELIZABETH WILL host new US President Joe Biden and other world leaders at Buckingham Palace before a summit of the G7 big economies in June, the *Sunday Times* reported.

Describing it as a "soft power" reception, the Sunday Times said the Queen would be joined by the Prince of Wales, the Duchess of Cornwall and the Duke and Duchess of Cambridge. The palace declined to comment on the report.

—REUTERS

Vietnam stays on same policy path with party chief's re-election

BLOOMBERG
January 31

VIETNAM'S COMMUNIST PARTY re-elected Nguyen Phu Trong *(pictured)* to a rare third term as general secretary, signaling no major shifts in the nation's economic or geopolitical direction.

The party's newly elected central committee also elected 18 members of the Politburo, which in turn will nominate individual candidates to be prime minister, president and chair of the National Assembly.

The parliament will vote on the nominees to the top government posts later this year.

Trong, 76, is known as a staunch anti-corruption crusader and has endorsed Vietnam's continued integration with the global economy. He and the other leaders will face the immediate task of reviving the nation's export-dependent economy amid the global pandemic; navigating growing tensions between the US and China, it's most important trade partners; and managing increasing territorial disputes in the South China Sea.

The National Party Congress, held every five years, will end earlier than expected on Monday amid a new virus outbreak. The selection process occurs in secret and involves political compromises for party unity.