PAYMENTS & EXECUTION IMPACT

Icra revises outlook for RE sector to negative

PRESS TRUST OF INDIA
New Delhi, December 30


The sector is facing headwinds because of the long delays in making payments by the state distribution utilities

RATINGS AGENCY ICRA on Monday revised its outlook for India's renewable energy sector from stable to negative amid delays in payments from discoms and execution of projects.

The sector is facing headwinds because of the long delays in making payments by the state distribution utilities, delays in projects bid out over the past two years, difficulties in acquiring land for projects, securing transmission connectivity and financing in a timely manner, the ratings agency said. Icra revises year-end outlook from stable to negative for renewable energy sector, it said.

Looking at the challenges, Icra said it expects no growth in capacity addition in FY2020 and will remain at about 8.5-9.0 GW similar to FY2019.

"The headwinds related to payment delays, uncertainty over resolution of tariff issue for projects in Andhra Pradesh, as well as execution and financing related challenges for under-construction projects have impacted investor sentiments in the sector.

"This is reflected from the slowdown in tendering of wind and solar PV projects by 37% to 10.6 GW in 9 months CY2019 from 16.7 GW in the corresponding period of previous year. Moreover, many of bids called by central nodal agencies remained under-subscribed," said Sabyasachi Majumdar, Group head & senior vice president — corporate ratings, Icra. The capacity addition in FY20 will be primarily driven by the solar power segment.

However, compared to 5.6% in FY15, the share of RE based generation in the overall generation mix at all India level is rising, as seen from an increase to 9.2% in FY2019.

The share of RE is expected to reach closer to 10% in FY2020. This is owing to the large sized capacity addition witnessed in the wind and solar power segments during this period, driven by policy support from the central and state governments as well as the significantly improved tariff competitiveness of wind and solar power vis-a-vis conventional power sources.

The average bid tariffs discovered in the auctions for wind and solar power projects in 2019 so far remained at ₹2.7-2.8 per unit. While this is higher than the low of ₹2.4 per unit discovered in 2018, the tariffs continue to remain less than ₹3.0 per unit, given the imposition of tariff cap by the nodal agencies.

"This uptrend in bid tariffs was partly driven by the concerns over project viability, execution delays and increase in capital costs due to imposition of taxes/ duties and rupee depreciation against dollar for imported equipment," Icra said.

On the other hand, the decline in bid tariffs and slowdown in capacity addition in the wind power segment has put pressure on the credit profile of some of the wind turbine OEMs, which in turn has affected the wind turbine machine availability for few IPPs (independent power producers).

As a result, IPPs are exploring either in-house O&M or through third party services. Their ability to ensure the desired machine availability as well as spare parts remains critical for the operations, especially in cases where wind turbine OEM is financially stressed. With respect to the counter-party credit challenges, Icra said, the payment cycle for wind and solar power projects remains mixed. While the projects having central nodal agencies, and discoms in states such as Gujarat as off-takers are receiving payments in a timely manner, the projects having discoms in most of the other states as off-takers are facing delays in receiving payments.

"The payment timeline has witnessed significant deterioration for Wind IPPs in Andhra Pradesh and Telangana, with delays of more than 12 months. While the provision of letter of credit (LC) or advance payments has been made mandatory wef August 1, 2019, the implementation of the same has been mixed so far with many of the intra-state RE projects not receiving the LCs.

"Moreover, this does not address the issues pertaining to recovery of old receivables. The IPPs with large exposure to the discoms in Andhra Pradesh and Telangana and belonging to the promoter groups having relatively modest financial strength, remain vulnerable from debt servicing perspective," Icra said.

Kerala retains top slot in Niti's SDG index

FE BUREAU
New Delhi, December 30

FOR THE SECOND year in a row, Kerala retained its first rank among states and Bihar came last in the Niti Aayog's Sustainable Development Goals (SDG) India Index for 2019.

The index, which evaluates progress of states and union territories on defined social, economic and environmental parameters, was launched in 2018.

Kerala retained the top slot with a score of 70 (out of 100) in 2019 — last year, the southern state had shared the top position with Himachal Pradesh — while Chandigarh maintained its rank as the top UT on the index, with a similar score of 70. Bihar, Jharkhand and Arunachal Pradesh were the worst performing states in the index in 2019.

Uttar Pradesh, Odisha and Sikkim have shown maximum improvement while Gujarat's ranking has dropped from 4th in 2018 to 9th in 2019, as its score stagnated at 64.

The composite score for India improved from 57 in 2018 to 60 in 2019.

Five goals drove the positive push – clean water and sanitation; affordable and clean energy; industry, innovation, and infrastructure; life on land; and peace, justice, and strong institutions.

While in 2018, three states belonged to the lowest category of aspirants with a score of less than 50, none of the states found themselves in this category in 2019.

SDG India Index
Ranking of states

	2018	2019
Kerala	1	1
Himachal Pradesh	1	2
Andhra Pradesh	4	3
Tamil Nadu	3	3
Telangana	9	3

Source: Niti Aayog

Assam, Bihar, and Uttar Pradesh graduated to the category of performers (scores between 50 and 64). Bihar retained its 28th rank, the lowest, among the states.

The percentage of children under 5 years of age who are stunted is the highest in Bihar at 42% while the state also saw the highest percentage (39.73%) of drop-outs at the secondary level, followed by Jharkhand at 36.64%, according to the report.

Bihar, Jharkhand and Arunachal Pradesh were the worst performing states in the index in 2019

On the SDG's first goal of removing poverty, Tamil Nadu was the top performer. On the third goal of good health and well-being, Kerala and Puducherry topped the ranking.

The year 2020 will be the fifth anniversary of the adoption of SDGs by 193 countries at the UN General Assembly. The SDGs targets are to be achieved by 2030.

India, with the world's 17% of the population, holds the key to global SDG achievement.

The report, unveiled on Monday, noted that the indicator set for SDG India Index 2019-20 is large (100 indicators) as compared to SDG India Index 2018 (62 indicators) and thereby two indices are strictly not comparable.

Govt may provide tax incentives for start-ups in coming Budget

PRESS TRUST OF INDIA
New Delhi, December 30

THE GOVERNMENT IS expected to provide tax incentives to start-ups in the forthcoming Budget to support the growth of budding entrepreneurs, sources said.

The Department for Promotion of Industry and Internal Trade (DPIIT) has suggested several measures to the finance ministry for start-ups in the budget. The recommendations include extension of tax incentives to incubators supported under Atal Innovation Mission; reduction in GST (Goods and Services Tax) rates on AIF (alternate investment fund) management fees; and tax benefits on ESOPs, they said.

Start-ups need talented workforce and ESOPs are one of the best options to attract skilled people as giving just high cash payout add to the burden on cash-starved enterprises, industry players said.

Tiger Global-backed tea cafe chain Chaayos founder Nitin Saluja said that there should be less tax on ESOPs. "It should attract as little tax as possible. ESOPs are one of the best options for start-ups at their early stages," Saluja said. Further fees charged by fund manager of AIF domiciled in India is liable to 18% GST as it qualifies as a taxable supply. Sources said that reduction in GST rates will help India to become an investment hub. Startup India initiative of the government aims at fostering entrepreneurship and promoting innovation by creating an ecosystem that is conducive to growth of budding entrepreneurs. There are 19 components under the Startup India action plan spanning across areas such as simplification and hand holding, funding support and incentives, and industry-academia partnership and incubation. So far the department has recognised 26,619 start-ups. Of these, maximum were in the IT services space which was followed by healthcare and life-sciences, and education.

DPIIT's recommendations include extension of tax incentives to incubators supported under Atal Innovation Mission; reduction in GST rates on AIF management fees; tax benefits on ESOPs

Finance minister Nirmala Sitharaman is likely to present the Budget for 2020-21 fiscal on February 1, 2020.

Exports may hit $330-340 bn in current fiscal, says FIEO

PRESS TRUST OF INDIA
New Delhi, December 30

THE COUNTRY'S EXPORTS are expected to touch $330-340 billion during the ongoing fiscal on account of uncertain global situation and rising protectionism, exporters body FIEO said on Monday.

During April-November, 2019-20, exports dipped by about 2% to $212 billion.

Federation of Indian Export Organisations (FIEO) president Sharad Kumar Saraf said the global situation is becoming extremely challenging as rising protectionism is leading to uncertainty in global trade which will have adverse impact on it. He said despite having a moderate share in global trade, India's exports have always followed the trend in global imports.

"Therefore, when global imports are declining, our exports are also likely to take a hit. Currently, exports during April-November 2019 are down by about 1.99%. Therefore, we feel our goods exports may touch $330-340 billion in the current fiscal," Saraf said in a statement.

About 50% of the global imports is accounted by electrical and electronics products, automobiles, machinery, petroleum products and plastic products

The FIEO president added that the infrastructure improvement and initiatives on the logistics front will further improve competitiveness of exports.

"If the global situation improves, which is likely in the first half of 2020, we may look for 15% growth in exports during the next financial year," Saraf said. However, he said exports have to be aligned with changing import patterns of the global economy. About 50% of the global imports is accounted by electrical and electronics products, automobiles, machinery, petroleum products and plastic products.

"Unfortunately, the share of such products in our exports is less than 33% despite having petroleum products accounting for roughly half of it. Our global share in such products is much less than 1%," he said.

Sri City SEZ ends 2019 on positive note, attracts ₹2.2k crore investments

FE BUREAU
Chennai, Dec 30

SRI CITY, ONE of the fastest growing integrated business cities in the country (a multi-product SEZ), has ended the calender 2019 with an impressive performance. The city has attracted over 16 new companies with a committed investment of ₹2,236 crore and creating employment opportunities for over 6,700 people. During the year, the cumulative exports value from Sri City SEZ units is approximately ₹3,370 crore.

Nearly 11 companies have kicked off the construction works of their plants. Six units went on stream marking their entry into operational phase. In their quest to cash-in on the emerging business opportunities in the country, some of the existing production units, viz., Pals Plush, Vermeiren, IMOP and Kobelco have ramped up facilities and expanded their production capacity, said a press release here.

In January Thermax opened a new manufacturing unit, which has a large portion of ₹Industry 4.0' built into it and using Artificial Intelligence, and utilising a highly digitised and robotised manufacturing process at an initial investment of ₹170 crore. During the year some of the units have crossed significant milestones. For instance, in January Isuzu India rolled out 10,000th vehicle from its plant. In the same way in August Kobelco Construction Equipment India produced the 10,000th hydraulic excavator at its state-of-the-art production facility.

Alstom hit a century by delivering the 100th ₹Make-in-India' metro train set in August, marking the completion of the Kochi Metro order for 25 train sets by the company. This milestone signifies many things, but most importantly, it is a vote of confidence of its customers in its capabilities to deliver world class, custom-made solutions.

Reviewing the performance of Sri City during the year, Ravindra Sannareddy, founder managing director, Sri City, said: "The year 2019 has been an impressive one for us. The year started with Thermax inaugurating its unit in January and had a grand finale with Panasonic announcing their entry into Sri City. The support of the state and central governments, cooperation of our clients and other stakeholders, and the solid work we put in, have all placed Sri City in good stead. While the manufacturing sector continues to witness slowdown, it is heartening to note that some of our clients are ramping up their units and continuing to invest here in Sri City."

"For all of us in Sri City, there are many miles to travel and many more mountains to conquer. We are on our toes preparing to face 2020, as there is much more, for which we look forward eagerly," he added.

During the year a number of distinguished business leaders of the country visited Sri City, including Ratan Naval Tata, chairman emeritus of Tata Sons; Kiran Mazumdar Shaw, chairperson & managing director, Biocon Ltd; diplomats from Germany, Thailand, Malaysia, Russia, Netherlands, Japan, France and Belgium, and a host of high ranking officials from central and state governments have also visited the industrial park and witnessed the growth and noted its business potential. Seven important high profile delegations, comprising of business leaders, industrialists toured the place and noted the existing investor-friendly ecosystem.

The Ambassador of Japan to India Kenji Hiramatsu formally inaugurated the first residential skill training centre in the country, set up by multiple Japanese companies, called ₹Japan-India Institute for Manufacturing' (JIM) in April. This institute trains students in core technical skills, grooms in Japanese manufacturing practices and processes, and transforms them industry ready.

OPINION, P8

PC MOHANAN
Migration makes **NPR**, a location-based register, a statistical nightmare

EDITORIAL
Don't emasculate the statistical system if you want better-quality and independent data

MARKETS, P10

SECOND HALF OF FY20
SBI may see higher corporate NPAs, says global banking MD

COMPANIES, P6

HUAWEI INCLUDED
Govt will give 5G spectrum for trials to all players: Prasad

CHENNAI/KOCHI, TUESDAY, DECEMBER 31, 2019

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

FINANCIAL EXPRESS

VOLUME XLI NO. 201, 20 PAGES, ₹6.00 PUBLISHED FROM: AHMEDABAD, BENGALURU, CHANDIGARH, CHENNAI, HYDERABAD, KOCHI, KOLKATA, LUCKNOW, MUMBAI, NEW DELHI, PUNE

READ TO LEAD

SENSEX: 41,558 ▼ 17.14 NIFTY: 12,255.85 ▲ 10.05 NIKKEI 225: 23,656.62 ▼ 181.10 HANG SENG: 28,319.39 ▲ 93.97 ₹/$: 71.32 ▲ 0.04 ₹/€: 79.87 ▼ 0.33 BRENT: $68.71 ▲ $0.55 GOLD: ₹38,806 ▲ ₹15

IN THE NEWS

Vision documents: PM to hold 2-day meet from Jan 3

PRIME MINISTER Narendra Modi will chair a critical two-day meet during January 3-4 to review the five-year vision documents of various ministries and departments, a top government official told **Banikinkar Pattanayak** in **New Delhi**. It comes at a time when growth plunged to an over six-year low of 4.5 % in the September quarter.

Now, link PAN & Aadhaar till March 31, 2020

THE LAST date for the mandatory linking of PAN and Aadhaar has been extended till March 31, 2020, CBDT said on Monday, reports **PTI**. The earlier deadline was Tuesday, December 31. This is the eighth time that the CBDT has extended the deadline.

OUT OF 'COURT'

Foreign funds rescue debt-hit RattanIndia

Lenders take 38% haircut in first deal outside NCLT for a stressed power unit where promoters will retain control

FE BUREAU
New Delhi, December 30

IN THE FIRST instance of resolution of a stressed power asset outside the insolvency and bankruptcy code (IBC) mechanism where the promoters have retained management control, a consortium of lenders led by Power Finance Corporation (PFC) has agreed to take a 38% haircut against their exposure of ₹6,575 crore to RattanIndia Power's 1,350 MW Amravati plant.

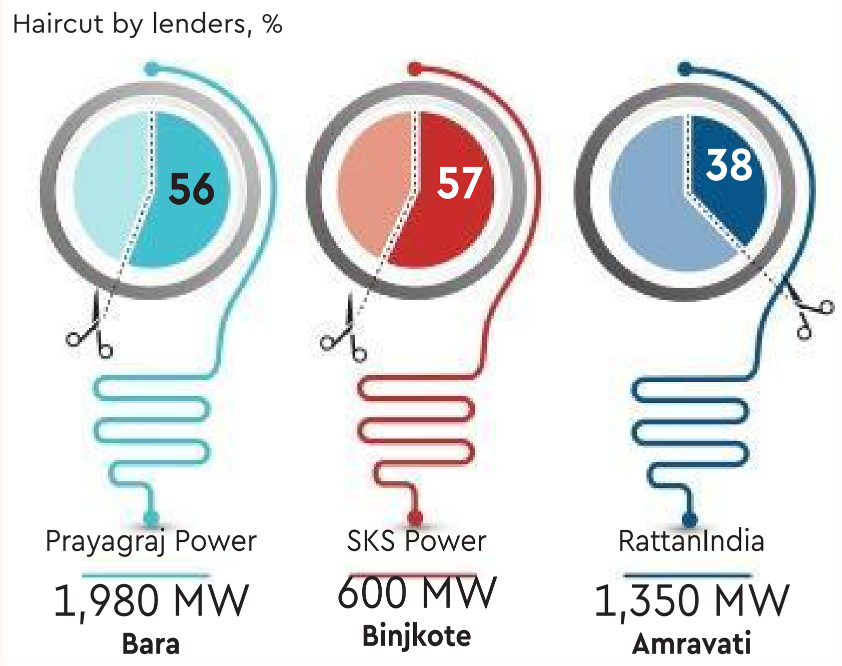
Aditya Birla Asset Reconstruction Company (ARC) will take over the power plant's balance ₹4,050-crore debt with funding from foreign funds including Goldman Sachs and Varde Partners. After this arrangement, the old lenders' consortium and the ARC will own 15% each in RattanIndia Power. A 15% stake in the firm is worth a little over ₹800 crore at current market prices. The promoters hold 53% in RattanIndia Power.

The Amravati plant has power purchase agreement for its full capacity with Maharashtra and has adequate fuel supply agreements with Coal India. It ran into stress due to short supply of coal and payment-related litigation. With the current deal, the plant has become the first in the power sector to benefit from the June RBI circular, which relaxed compulsory referral of stressed units to the bankruptcy court after the Supreme Court in April declared the banking regulator's February 12, 2018, fiat as 'ultra vires'.

"The deal marks the return of foreign debt funding into the country and sets an example of how a win-win solution can be achieved outside the National Company Law Tribunal," Rajiv Rattan, chairman, RattanIndia Group, told *FE*. The development comes at a time when major power conglomerates are cash-strapped and power plants are finding it difficult to find new takers.

Continued on Page 2

Resolution of power assets outside NCLT
Haircut by lenders, %



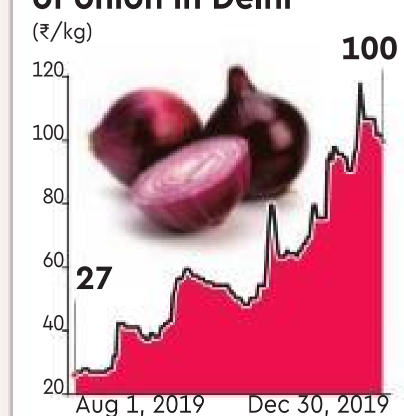
DELHI SHIVERS ON COLDEST DEC DAY IN 118 YRS

Winter tightened its chilly grip across large parts of north India — particularly the Capital, where the maximum temperature dipped to 9.4°Celsius, making Monday the city's coldest recorded December day since 1901. A thick fog blanketed the Delhi-NCR region, leading to thousands being stranded as flights and trains were delayed, diverted or cancelled.

ONION CRISIS

Govt plans 1 lakh tn of buffer stock for 2020

Soaring retail prices of onion in Delhi
(₹/kg)



Source: Consumer affairs ministry

PRESS TRUST OF INDIA
New Delhi, December 30

TO PREVENT THE repeat of this year's onion crisis, the Central government has decided to create a buffer stock of 1 lakh tonne of the key kitchen staple in 2020, a senior government official said on Monday.

The government had created a buffer stock of 56,000 tonne for the current year but it was not sufficient to contain the prices which are still ruling above ₹100 per kg in most cities across the country. As a result, the government was compelled to import onions through state-run MMTC.

"The issue was discussed in detail in the recent meeting of the group of ministers (GoM), headed by home minister Amit Shah. It was decided that higher buffer stock of about 1 lakh tonne will be created for next year," the official told PTI.

Cooperative Nafed, which had maintained the buffer stock of onion on behalf of the government, will continue to do so next year.

Continued on Page 2

BIS NORMS FOR 4.5K NEW ITEMS

Sub-standard imports: Govt to bolster non-tariff barriers

Taking a cue from China and S Korea, India mulls biggest overhaul of quality system for imports

FE BUREAU
New Delhi, December 30

CONCERNED OVER MASSIVE inflows of 'sub-standard' products into India — ranging from chemicals, pharmaceuticals, electrical machinery, furniture and toys to steel — the government is planning the biggest overhaul of its regulatory ecosystem that stipulates technical standards, including safety and quality, in a bid to curb imports of such products.

The move marks a policy shift in New Delhi from an avowedly pro-liberalisation approach to external trade to a more discretionary one, where barriers could be erected to 'non-essential' imports that may harm the economy, rather than benefit it.

India's move follows its decision to pull out of the 16-nation Regional Comprehensive Economic Partnership (RCEP) agreement in November, as its proposals on safeguard measures to deal with any "irrational spike" in imports, among others, weren't adequately addressed by potential partners, including China. As such, China has been a major source of sub-standard products, according to industry executives.

The policymakers here are also being seen taking cue from countries like China and South Korea, which maintain benign import tariffs but have high non-tariff barriers (NTBs). In September-October 2018, India had raised the import duties on several communication items in the wake of surge in imports of electronic items.

Continued on Page 2

Where govt wants standards urgently

Ministry/dept	Imports ($ bn, FY19)	No. of tariff lines
Chemicals & petrochemicals	27.70	92
MeitY	20.40	46
Heavy industries	18.20	53
DoT	17.00	25
DPIIT	14.00	58
Steel	7.40	33
Others	23.10	65

GST REFUNDS

Govt admits delay in 'Star exporters' case

FE BUREAU
New Delhi, December 30

THE GOVERNMENT ON Monday admitted that GST refunds of some 'Star exporters', among thousands of others, are being withheld and cited pending verification of their KYC and other details for it.

"As of now, (GST) refunds of only ₹3,604 crore are pending with the Customs and out of about 185,000 exporters, a total of 6,421 exporters (about 3.4%) including some 'Star exporters' have been identified as risky and hence, red-flagged," the Central Board of Indirect Taxes and Customs (CBIC) said. It added that some Star exporters aren't traceable at the addresses given by them.

FE reported on Monday that GST refunds of thousands of exporters, including nearly 250 units with Star Export House tag, remained withheld, after the GST verification system had identified them as 'risky' — which means that they could potentially be involved in fraudulently availing input tax credits (ITCs).

Continued on Page 2

NO BROAD-BASED RALLY

Markets 2019: 80% stocks in the red

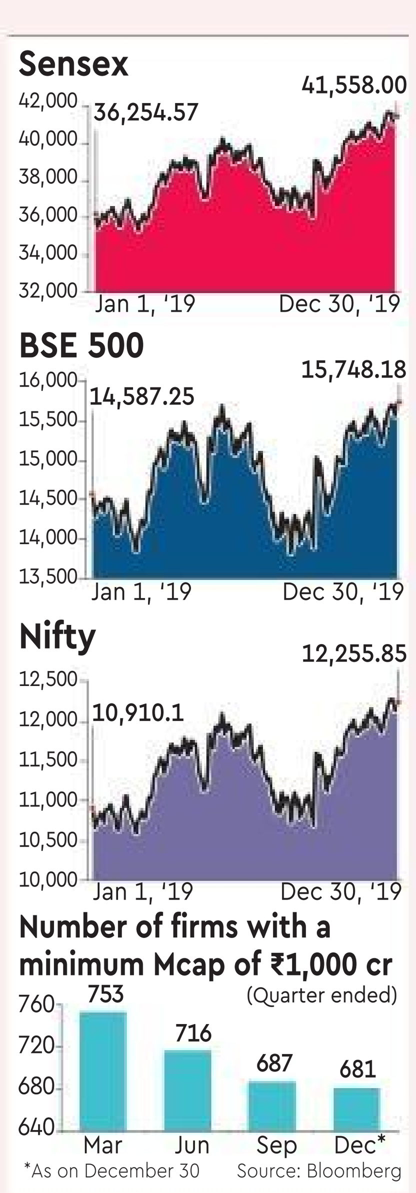
FE BUREAU
Mumbai, December 30

THE BENCHMARKS MAY have ended the year with double-digit returns, but nearly 80% listed companies on the BSE slipped in the red in 2019, as the intense polarisation of the markets continued. The two benchmark indices — Sensex and the Nifty — delivered 14.63% and 12.33% returns, respectively, but this bullishness is not reflected in portfolios as the market's performance has been driven largely by the top 10 stocks. In fact, the mid and small cap indices have ended the year in the red too, as growth and earnings lagged pricey valuations.

The market's polarisation has been progressively gaining momentum over the last few years, as corporate earnings continued to disappoint. Since 2014, the share of top 10 stocks in the overall market capitalisation of the listed universe has been steadily rising. In 2014, the share of top 10 stocks in the overall market cap was 14.4%, which has now risen to 23.4%.

Neelesh Surana, chief investment officer, Mirae Asset Global Investments, said, "While we have seen rally driven by a few stocks, wherever triggers are there stocks have performed well. Even in 2019 some of the value stocks participated in the rally like telecom and corporate sector banks. This only shows that whenever there are earnings, stocks will get re-rated. Correction in some of the stocks was also justified because of what happened in the system of credit crises and governance issues many of the casualties happened and they will not rebound."

Continued on Page 2



*As on December 30 Source: Bloomberg

Realty check

FE BUREAU

Demand shortage hits residential property sales

The residential real estate market continues to reel under severe shortage of demand. All-India property sales contracted 15% y-o-y in Oct as consumers remained cautious in a slowing economy, analysts at Kotak Institutional equities wrote. Given the large unsold inventory, new launches fell by a sharper 30% y-o-y. The total inventory fell 11% in Oct to levels of 1.27 billion sq ft.

Source: PropEquity, Kotak Institutional Equities

Sales, launches and inventory across India

Special Features

Five steps to consolidate your MF portfolio for the new year

As the year 2020 starts, consolidate your mutual fund portfolio to protect it from overdiversification and ensure you are on track to achieve your financial objectives

■ Personal Finance, P13

QuickPicks

DHFL receives total claims worth ₹92,404 crore so far

DEWAN HOUSING Finance (DHFL) has received claims worth ₹92,404 crore so far from creditors, which include financial creditors, operational creditors, deposit holders along with employees and workmen, reports **Ankur Mishra** in **Mumbai**. In a CoC meeting on Monday, it was also informed ₹87,905-crore claims were received from financial creditors till December 17. **PAGE 10**

BSNL clears ₹1,700 cr of ₹10k cr it owes to vendors, contractors

BSNL ON Monday said of the total ₹10,000 crore it owes to various vendors and contractors, it has been able to clear dues of around ₹1,700 crore, reports **fe Bureau** in **New Delhi**. It has also been able to pay its employee salaries for November. "We released ₹1,700 crore to our vendors and contractors through loans and internal accruals," BSNL CMD PK Purwar said. **PAGE 6**

NEW YEAR, NEW PROTEST

After year of multiple stirs, Hong Kong to kick off 2020 with big march

CLARE JIM
Hong Kong, December 30

HONG KONG WILL end 2019 with multiple protests planned for New Year's Eve and New Year's Day aimed at disrupting festivities and shopping in the Asian financial hub, which has seen a rise in clashes between police and protesters since Christmas.

Events dubbed "Suck the Eve" and "Shop with you" are scheduled for New Year's Eve on Tuesday around the city, including in the party district of Lan Kwai Fong, Hong Kong's picturesque Victoria Harbour, and popular shopping malls, according to notices circulated on social media.

A New Year's Day march on January 1, has been given police permission and will start from a large park in bustling Causeway Bay and end in the central business district, say its organisers, the Civil Human Rights Front.

The Front previously organised the peaceful million-plus marches in June and held the latest mass march earlier in December, when they said around 8,00,000 people attended.

"On New Year's Day, we need to show our solidarity...to resist the government. We hope Hong Kong people will come onto the streets for Hong Kong's future," said Jimmy Sham, a leader of the group.

The latest planned protests come after a pick up in clashes since Christmas Eve when riot police fired rounds of tear gas at thousands of protesters, many wearing masks and reindeer antlers, after scuffles in shopping malls and in a prime tourist district.

While the protests — now in their seventh month — have lessened in intensity and size in recent weeks, their frequency has held up, with marches or rallies occurring almost daily in the former British colony.

Continued on Page 2

Anti-extradition Bill protesters hold lights during an earlier rally to call for political reforms in Hong Kong

Economy

TUESDAY, DECEMBER 31, 2019

LABOUR REFORMS

Santosh Gangwar, labour minister

We hope that 2020 would be an year of labour reforms. The four codes would be a reality in 2020. The codes would safeguard the interest of workers and employers. We have tried to strike a balance between workers' as well employees' rights

VISION DOCUMENTS

PM to hold two-day meet from Jan 3

As many as 10 'sectoral groups' comprising secretaries of several departments will give presentations

BANIKINKAR PATTANAYAK
New Delhi, December 30

PRIME MINISTER NARENDRA Modi will chair a critical two-day meeting during January 3-4 to review the five-year vision documents of various ministries and departments, a senior government official told *FE*.

The meeting comes at a time when growth plunged to an over six-year low of 4.5% in the September quarter, with analysts warning that the economy is in the midst of a prolongued phase of slowdown.

As many as 10 'sectoral groups' comprising secretaries of several departments will give presentations before the council of ministers, headed by Modi. Key ministers – including home minister Amit Shah, finance and corporate affairs minister Nirmala Sitharaman, transport and MSME minister Nitin Gadkari and commerce and industry minister Piyush Goyal – are expected to attend the meeting, among others.

Some of the ideas presented in these vision documents may find mention in the next Budget.

The meeting will focus on ways to boost growth as well as private investments and help India turn into a $5-trillion economy by 2024, as envisioned by the Prime Minister.

Finance secretary Rajiv Kumar is expected to give a presentation on behalf of the sectoral group on finance and corporate affairs.

A brief review of the measures taken by the government recently to perk up growth, including the corporate tax rate cut, push for credit offtake, recapitalisation of state-run banks, a WTO-compatible scheme to boost exports, and a ₹25,000-crore fund (including contributions by LIC and SBI) committed for housing' is expected. Steps required to ensure 'ease of living' is also likely to feature in the discussions.

The economy is going through a critical phase. Citing growth concerns, Moody's recently trimmed India's sovereign rating outlook to 'negative' from 'stable'. Industrial production shrank in September to an eight-year low, while eight core infrastructure industries witnessed their worst contraction at least since April 2005 in September. Exports declined in five of the first eight months of this fiscal, and banks, non-food credit growth was hovering around a two-year low until recently before slowing further.

The Modi government had first set up the sectoral groups in 2016 on key areas, including finance and corporate affairs, commerce and industry, agriculture and allied sectors, transport and communications, energy and environment, health, sanitation and urban development, education and social development, governance and crisis management. The composition of the groups has changed over time, as some of the top bureaucrats have since retired.

From the Front Page

Markets 2019: 80% stocks in the red

THE SUSTAINED RALLY in quality stocks has been driven by capital flows, both domestic and global. In 2019, net investments by mutual funds in equities was $7.6 billion, against $14 billion invested by foreign portfolio investors. Domestic institutions also invested $6 billion in equities in 2019. Explaining this trend, UR Bhat, director at Dalton Capital Advisors, said, "As the process of institutionalisation of the market gathers momentum, it is the liquid large cap stocks that get the most attention from institutional investors. What has happened in 2019 is that many large foreign portfolio investors (FPIs), quite a few being new FPIs, have entered only in the top stocks in the Indian markets. Since a few large-cap stocks were becoming the toast of the market, even domestic players started investing in this space which led to the polarisation in the market".

But this race for quality could moderate in the New Year, if some of the other sectors see some recovery. Gopal Agrawal, senior fund manager and head, macro strategy, DSP Mutual Fund, said: "Market rally is a function of earnings momentum and in last 18 months we saw earnings growth skewed towards few sectors and companies, add to this corporate tax benefit accruing immediately to consumer facing businesses. In next 12 months, we expect earnings recovery to be broad-based, which may lead to a broad-based rally as earnings decline in many businesses may come to an end".

However, if recovery in sectors like auto, infrastructure and real estate does not play out then 2020 may not be very different from 2019, with the rally in a select stocks camouflaging the under-performance of the broader markets. In the last few days of the current calendar year, the laggards have started outperforming the benchmarks. Siddhartha Khemka, head – retail research, Motilal Oswal Financial Services, said, "Given reasonable valuations, midcaps and smallcaps have been outperforming largecaps for past few weeks. We expect this trend to continue in 2020. Investors are awaiting updates on the signing of a trade deal between the US and China, while keeping an eye on oil price which is currently at a three-month high".

Mirae's Surana also believes that despite slowing down of the economy, markets are holding on because of anticipation of earnings growth. "I think worst is over in terms of corporate earnings and we might see this polarisation in equity markets getting blurred going forward," he adds.

Onion crisis: Govt plans 1L tonne of buffer stock for 2020

IT WILL SOURCE the rabi (winter) onion crop — which has longer shelf life — between March and July directly from farmers, the official added.

To check rising prices, the government took several measures to boost the domestic availability, including ban on exports, stock limits on traders besides sale of onion at subsidised rates from its buffer stock and imports.

Already, the government has exhausted its buffer stock of onion which was disposed at a subsidised rate in the local market. Now, it is selling imported ones. MMTC, which is importing on behalf of the government, has contracted about 45,000 tonne of onion from Turkey, Afghanistan and Egypt. The shipments are underway.

After year of multiple stirs, Hong Kong to kick off 2020 with big march

A RALLY IS planned in the central business district, where protesters will gather to remember those who have died or have been injured during the protests.

More than 2,000 protesters have been injured since June according to the hospital authority. While there is no official count of deaths during the protests, student Chow Tsz-lok died after a high fall during a pro-democracy rally in November. Multiple suicides have been linked to the movement.

Police arrested about a dozen protesters over the weekend and used pepper spray to break up a gathering aimed at disrupting retail business near the border with mainland China. More than 6,000 protesters have been arrested since the protests began. On Sunday more than 1,000 people rallied in the rain in Hong Kong's financial district, chanting slogans for democracy as they huddled under a sea of umbrellas. —*Reuters*

Sub-standard imports: Govt to bolster non-tariff barriers

THERE HAVE ALSO been reports of the possibility of such duty increases on several other items and this has invited criticism from independent experts, who believe it would go against the spirit of free trade and New Delhi's stated policy of progressive lowering of import tariffs.

An official source told *FE* that the Bureau Of Indian Standards (BIS) has been asked to develop standards for over 4,500 products (HS lines), preferably over the next six months, taking the total number of imported items where quality and other parameters would be in place to 5,000. Of these, standards for 371 products, with total imports of as much as $128 billion in FY19, will have to be firmed up or reviewed (wherever necessary) on a war footing, said the source. These items include steel, consumer electronics, heavy machinery, telecom goods, chemicals, pharmaceuticals, paper, rubber articles, glass, industrial machinery, some metal articles, furniture, fertiliser, food and textiles.

Commerce and industry minister Piyush Goyal held a crucial meeting on December 23 on this issue with officials of various ministries/departments, including steel, electronics, telecommunications, chemicals and petrochemicals and industry, said the source. It was revealed in the meeting that only about 10% of the country's imported products are subject to various standards and the rest remain unregulated even from basic safety and environment parameters.

Since sub-standard products are usually imported at much cheaper rates, they not just pose risks to consumer health and environment (toys, for instance) but also hit domestic manufacturing because of the price competitiveness. Many countries, especially the big economies, therefore, subject their imports to rigorous technical standards and sanitary and phytosanitary measures. The proposed measures, once implemented, will boost the government's Make in India initiative as well, said the official source.

Analysts say India seems to have taken a cue from countries like China and South Korea that have effectively employed various non-tariff measures to curb non-essential and sub-standard imports with potential risks to environment.

Even without RCEP, India's merchandise trade deficit with China stood at $53.6 billion in FY19, or nearly a third of its total deficit. Its deficit with potential RCEP members (including China) was as much as $105 billion in FY19.

India's imports rose 9% year-on-year to $507.5 billion in FY19, although in the current fiscal, the imports have contracted 8.9% in the first eight months, mirroring demand compression in the economy.

First resolution outside NCLT: Foreign funds rescue debt-hit RattanIndia

APART FROM PFC, other lenders to the Amravati plant were State Bank of India, Axis Bank, UCO Bank, Life Insurance Corporation of India, Bank of India, Central Bank of India, Punjab National Bank, Canara Bank, United Bank of India, Syndicate Bank and REC.

Lenders had taken much larger haircuts for other stressed plants resolved outside the NCLT. Tata Power acquired 75% stake in Prayagraj Power Generation Company's 1,980 MW Bara power plant for ₹6,000 crore, reflecting a haircut of more than 50%, while Hong Kong-based Agritrade Resources agreed to purchase 100% of the equity in SKS Power's Binjkote power plant for ₹2,170 crore, which is 57% lower than the loan outstanding from the unit.

Power minister RK Singh recently said out of the 34 stressed power projects worth ₹1.8 lakh crore, 13 projects worth ₹59,000 crore have been resolved. Three plants worth ₹27,000 crore are in final stages of resolution and another 10 projects worth ₹38,000 crore have been admitted in the NCLT. As many as eight projects, valued at ₹49,000 crore, have been referred to the NCLT, but not admitted as yet. State-run NTPC is preparing to bid for the 600-MW Jhabua power plant in the NCLT.

As of September 30, financial creditors recovered Rs 1,37,919 crore, or 41.5% of their admitted claims via the NCLT process, since the insolvency law came into being in late 2016, according to the latest data compiled by the Insolvency and Bankruptcy Board of India.

GST refunds: Govt admits to delay in 'Star exporters' case

STAR EXPORT HOUSE exporters are certified by the government on the basis of export performance (₹15 crore to ₹5,000 crore FOB in the current and three preceding years). They are extended certain benefits including customs clearance on self-certification basis and exemption from furnishing bank guarantee under certain schemes.

"These (6,421) exporters are being subjected to KYC and verification process before the grant of refund. It may be noted that the verification so far has revealed that 1,241 exporters are not traceable at their given addresses, which include 8 'star exporters'. In addition, adverse verification reports have been received in the case of 399 exporters, which also include 4 'Star exporters'," CBIC said.

It is learnt that the verification process is still going on in the case of 160 Star Export Houses and refunds have been blocked for over 100 of them. Sources from the exporter community say that the firms which are facing the problem of delayed refunds include large and established ones, who are unlikely to resort to fraudulent means to get undeserved refunds. The verification system, according to these sources, is slow-moving and militates against natural justice.

The CBIC, however, said that while it is focusing on quick disbursal of pending refunds to exporters, it has to use data analytics to identify "risky" exporter entities that take input tax credit fraudulently and monetise it by paying IGST and taking refund thereof or taking refund of the accumulated ITC. It further said that the exporters have already been paid IGST refund of over ₹1.12 lakh crore and over 83,500 exporters have been benefited by these refunds. "This shows that the government's efforts to fast track refunds under GST especially to exporters are yielding results," it said. Additionally, the department said that 77% of India's exports have been under Letter of Undertaking (LUT), which are unaffected by the verification exercise being done by the CBIC officials.

"Moreover, even in respect of exporters identified as risky, the government is taking all necessary steps to expedite the verification. At the same time, the government remains concerned about the misuse of the facility of ITC credit and refunds by few unscrupulous exporters," it said.

IN THE COURT OF THE ADDITIONAL FAMILY JUDGE OF COIMBATORE

H.M.O.P. No. 540 / 2016

Vinita Saraogi, W/o.Deepak Saraogi
7/12/13, Sai Krishna Apts,
4th Floor, Bharathi Park, 6th Cross
Saibaba Colony, Coimbatore-641011
. . . Petitioner

- vs -

Deepak Saraogi, S/o. D.N. Saraogi,
Express Avenue Mall,
49 and 50L,Whites Road, Chennai-600 014.
. . Respondent

PUBLIC NOTICE

This is to inform that the petitioner had filed a divorce application which is pending before the Court. The case stands posted on 07.01.2020 for the appearance of the respondent either in person or through his counsel before the Court by 10.30 A.M. tofile a counter in the application filed by the petitioner seekikng to restore the above H.M.O.P. It is informed that in case of non appearance, the case would be against the respondent.

Mrs. S.SUMATHY B.A., B.L.,
Advocate for Petitioner
Coimbatore, Tamilnadu.

IN THE COURT OF THE I ADDITIONAL DISTRICT JUDGE OF COIMBATORE

I.A. Nos. 1 & 2 OF 2019
I.A. No. 807 OF 2016
O.S. No. 1 OF 2016

1) S. Senthil Krishnan,2) S.Ayyappan and 3) S.Venkatesan **. . . Petitioners / Plaintiffs**

- vs -

K. Meenakshi, D/o. Late. K.K. Sundaram,
House No. 11, T C No. 39/1763,
Yamuna Nagar 1st Street, Manakad,
Trivandrum - 695 009 **. . . Respondent**

NOTICE

The above named petitioners have filed the above application in I.A. No. 1 of 2019 to amend final decree application in I.A. No. 807 of 2016 and application in I.A.No. 2 of 2019 for appointment of guardian to the mentally ill 4th respondent K. Padmaban and both the applications stand posted to **31.01.2020** for your appearance. You are hereby directed to appear in person or through advocate on 31.01.2020 at 10.30AM before the above court failing which the above applications will be decided in your absence.

N.G. AMIRTHARAJ B.Sc., B.L.,
Advocate, Coimbatore,
Cell No. : 98433 66800

CG-VAK SOFTWARE & EXPORTS LTD.

CIN-L30009TZ1994PLC00556B
Regd. Office : 171, Mettupalayam Road, Coimbatore - 641043. Email : harcharan@cgvakindia.com

LOSS OF SHARE CERTIFICATES

Notice is being given that following share certificates of the Company are reported lost/misplaced and are not traceable by the share holder(s) / claimant(s) concerned.

CERTIFICATE NUMBER (S)	DISTINCTIVE NUMBER FROM	TO	NUMBER OF SHARES	NAME OF THE SHAREHOLDER(S)
36800-36808	4117901	4118800	900	VIJAYAKUMAR. E

If no claim is received within 15 days the company will issue duplicate share certificate in lieu therof.

Coimbatore
27.12.2019

For CG-VAK Software & Exports Ltd.,
Harcharan. J, Company Secretary.

MAGNA ELECTRO CASTINGS LIMITED

CIN : L31103TZ1990PLC002836 Regd. Office : 43, (Old No. 62), Balasundaram Road, Coimbatore - 641 018. E-mail : sangeetha.c@magnacast.com

LOSS OF SHARE CERTIFICATES

NOTICE is being given that following certificate(s) of the Company are reported lost/misplaced and are not traceable by the share holders/buyers concerned

CERTIFICATE NUMBER (S)	DISTINCTIVE NUMBER FROM	TO	NUMBER OF SHARES	NAME OF THE SHAREHOLDER(S
20378-20689	2037701	2068900	31200	N RANGASWAMI BHARATHI RANGASWAMI

If no claim is received within 15 days the company will issue duplicate share certificate in lieu therof.

Coimbatore
27.12.2019

For Magna Electro Castings Ltd.
C. Sangeetha, Company Secretary

मोतीलाल नेहरु राष्ट्रीय प्रौद्योगिकी संस्थान इलाहाबाद

Motilal Nehru National Institute of Technology Allahabad

प्रयागराज-211004 (भारत)/ Prayagraj-211004 (India)

NOTICE INVITING TENDER

Director, MNNIT Allahabad, invites online bid from eligible & interested bidders for Providing Human Resource for miscellaneous works such as Office, Lab support, gardening & cleaning works except Security on outsourcing basis.

For further details, please visit: www.mnnit.ac.in and www.eprocure.gov.in

Last date of ONLINE bid submission is- 21.01.2020 at 1530 Hrs.

All corrigendum, addendum, extension etc., (if any), shall be published on the above mentioned websites only.

DIRECTOR

POOMPUHAR SHIPPING CORPORATION LIMITED

(A Government of Tamilnadu Enterprise)
692, (Old No. 473), Anna Salai, IV Floor, Nandanam, Chennai - 600 035.
Ph: 2433 0505, 2433 0807; Fax: 2434 4593, 2433 5706
E-mail : pscship@gmail.com / pscship@dataone.in

GLOBAL TENDER TENDER NO.H/OP/LTPG/151/006/19-20

NOTICE INVITING TENDER FOR TIME CHARTERING OF ONE SELF TRIMMING PANAMAX GEARLESS/GEARED (OFFERED AS GEARLESS) BULK CARRIER OF 70000-78000 DWT

Sealed tenders are invited from the owners / disponent owners of Indian / Foreign flag vessel or through their authorized brokers for time chartering of one self trimming panamax gearless / geared (offered as gearless) bulk carrier with a minimum loading rate of 3000 MTs per hour for a period of 6 months + 3 months +/- 10 days choption with the lay days from 25.01.2020 to 10.02.2020 for coastal transportation of thermal coal in East Coast of India (Paradip / Dhamra / and Kakinada Ports to Ennore), for NTECL's Vallur Thermal Power Station, North Chennai.

ONE SELF TRIMMING PANAMAX GEARLESS / GEARED (OFFERED AS GEARLESS) WITH THE LAY DAYS FROM 25.01.2020 TO 10.02.2020.

TENDER NO. H/OP/LTPG/151/006/19-20

Period - 6 months + 3 months +/- 10 days choption
Tender box to be closed at - on 21.01.2020 at 15:00 hours
Tender box to be opened at - on 21.01.2020 at 15:30 hours

Cost of tender document - Rs.5,000/- each for Indian flag vessel
- USD 100/- each for Foreign flag vessel

EMD - Rs.10,00,000/- for Indian flag vessel
- USD 17,000/- for Foreign flag vessel

Tender document is available in our website www.tamilship.com / www.tntenders.gov.in from 02.01.2020 & the same may be downloaded free of cost. For more details visit our website www.tamilship.com / www.tntenders.gov.in

DIPR/4722/Tender/2019 **Chairman & Managing Director**

POOMPUHAR SHIPPING CORPORATION LIMITED

692, Anna Salai, IV Floor, Nandanam, Chennai - 600 035, India
Telephone No: 044-24330505 / 807 Fax: 91-44-24344593,
E-mail : pscship@gmail.com / pscship@dataone.in

GLOBAL TENDER

NOTICE INVITING TENDER FOR SPOT TIME CHARTERING OF ONE SELF-TRIMMING SUPRAMAX GEARLESS VESSEL WITH DEAD WEIGHT CAPACITY OF ABOUT 45000 TO 59000 DWT.

Sealed tenders are invited from the owners / disponent owners of Indian / Foreign flag vessels or through their authorized brokers for Spot time chartering of one Self-trimming supramax gearless vessel for coastal transportation of thermal coal, on account of TANGEDCO are as follows:

One Self Trimming Supramax gearless vessel with the lay days from 28.01.2020 to 10.02.2020

TENDER NO.H/OP/SPSGER/116/001/19-20 (Spot Time Charter)

Period : 3 months + 3 months +/- 10 days choption.

Last date for issue of Tender book - on 20.01.2020 upto 12:00 hours
Tender box to be closed at - on 20.01.2020 at 15:00 hours
Tender box to be opened at - on 20.01.2020 at 15:30 hours

EMD - Rs.10 Lakhs - For Indian flag vessels
- USD 17,000 - For Foreign flag vessels

Cost of tender document - Rs.5,000/- each (Indian Flag)
- USD 100 each (Foreign Flag)

Separate Tender document for spot time chartering are available in our website from 02.01.2020 & the same may be downloaded from our website: www.tamilship.com / www.tntenders.gov.in at free of cost.

For more details visit our website www.tamilship.com / www.tntenders.gov.in

DIPR/ 4721 /TENDER/2019 **Chairman & Managing Director**

VISAKA INDUSTRIES LIMITED

Regd. Office : Sy No.315, Yelumala Village, R.C.Puram Mandal, Sangareddy Dist. - 502300 (T.S)
Corp. Office : "Visaka Towers", 1-8-303/69/3, S.P. Road, Secunderabad - 500 003. **CIN: L52520TG1981PLC003072**

NOTICE

NOTICE is hereby given that some of the shareholders have reported that they have misplaced/lost their share certificates issued by the Company as per details given below. The Company has received requests to issue duplicate share certificates in lieu of the original share certificates purported to have been misplaced /lost and not traceable.

Name of Shareholder	No .of Shares	Share Certificate Nos.	Distinctive Nos.	L.F. No.
SUBHADRA S KOTHARI	100 50	25107 to 25206 74771	1702601 to 1702700 4185801 to 4185850	0005415 0005415
SANGEETA BALASUBRAMANIAM	150	108038 to 108040	5615642 to 5615791	0021337
NAVIN VAYLA	100 50	26531 to 26532 75483	1773801 to 1773900 4221401 to 4221450	0006127 0006127
NEELA KAMLAKAR	50 50	25525 74980	1723501 to 1723550 4196251 to 4196300	0005624 0005624
GOKHALE AMIT	100 50	25563 to 25564 74999	1725401 to 1725500 4197201 to 4197250	0005643 0005643

The Company propose to issue fresh certificates, provided objections if any are not received within two weeks of this notice from any aggrieved person.

For **VISAKA INDUSTRIES LIMITED**

Place: Secunderabad
Date : 30-12-2019

Vice President (Corp) &
Company Secretary

म.प्र. लघु उद्योग निगम मर्यादित

(म.प्र. शासन का उपक्रम)
प्रथम तल, पंचानन भवन, मालवीय नगर, भोपाल
फोन : 2673141 (For online help), 2673128, 2673135

ई-निविदा सूचना क्रमांक 08-ए/19-20

म.प्र. लघु उद्योग निगम द्वारा ई-प्रोक्योरमेंट निविदा सिस्टम के माध्यम से निम्नलिखित उत्पाद हेतु वार्षिक दर अनुबंध के आधार पर, नियत दिनांक को दोपहर 2.00 बजे तक निविदाएं आमंत्रित की जाती है :-

क्र.	निविदा क्रमांक	उत्पाद का नाम	ई.एम.डी./ पी.जी. (रु.)	निविदा प्रस्तुत करने की अंतिम दिनांक
1.	के.ई. 19049-ए	आई.एस.आई. मार्क गेल्वेनाईज्ड माईल्ड स्टील ट्यूब्स विथ आई.एस.आई. मार्क साकेट	2,00,000/-	20.01.2020

नोट :- निविदा में भाग लेने हेतु पात्रता, पूर्ण निविदा दस्तावेज, निविदा आमंत्रण सूचना, निविदा शर्तें आदि की जानकारी निगम की वेबसाइट https://mpeprocurement.com पर देखी जा सकती है।

म.प्र. माध्यम/96286/2019 **प्रबंध संचालक**

DOHA BROKERAGE & FINANCIAL SERVICES LTD

Regd. Office: 2nd Floor, Chammany Chambers, Kaloor Kadavanthra Road, Kaloor, Kochi-17
Tel. No: 0484 2566000 Email ID: ho@dbfsindia.com Website: www.dbfsindia.com
CIN: U67120KL1992PLC006711

NOTICE

NOTICE is hereby given that in terms of the provisions of Section 124 of the Companies Act, 2013 and the relevant rules thereunder, unclaimed / unpaid dividends upto the financial year 2011-12 have been transferred to the Investor Education & Protection Fund (IEPF). Shares in respect of which dividend has not been claimed/paid for seven consecutive years also need to be transferred to the IEPF. The names and Folio nos. of the shareholders whose shares are due for transfer to IEPF have been provided in the Company's website www.dbfsindia.com. Intimation have also been given to the respective shareholder's last known address. Shareholders who have obtained any Order restraining the transfer of shares to IEPF or have any sufficient ground for not transferring the shares may write to the Company along with certified copy of the Order, if any, within one month of this notice, failing which the Company is under an obligation to transfer the shares to IEPF.

For further information, please contact the Company at above address.

Place : Kochi

For Doha Brokerage & Financial Services
Prince George,MD
(DIN : 00449605)

SAGAR CEMENTS LTD.

CIN: L26942TG1981PLC002887
Regd.Office: Plot No.111, Road No.10,
Jubilee Hills, Hyderabad-500 033

Notice is hereby given that the under mentioned Share Certificates issued by Sagar Cements Limited are reported to have been lost/misplaced by the Registered Holders, who have now applied to the Company for issue of Duplicate Share Certificates in lieu of these certificates.

Name of the Shareholder	Certificate Nos. From	Certificate Nos. To	Distinctive Nos. From	Distinctive Nos. To	No. of Shares
PREM NARAYAN BHUTRA	2520	2521	742751	742850	100
RAMNIKLAL M VACHHANI	72006	72006	6508401	6508500	100
GOPAL KEDIA	79045	79045	7212301	7212400	100
USHA DEVI	78634	78634	7171201	7171300	100
JAI PRAKASH GUPTA	4897	4897	1444851	1444900	50

Persons who have any claims in respect of the above said share certificates should lodge their claims with the company within 15 days of the publication of this notice lest the company will proceed to issue duplicate share certificates in lieu of the above mentioned share certificates to the registered holders.

FOR SAGAR CEMENTS LIMITED
Sd/-
Company Secretary

Place: Hyderabad
Date : 30-12-2019

SAGAR CEMENTS LTD.

CIN: L26942TG1981PLC002887
Regd.Office: Plot No.111, Road No.10,
Jubilee Hills, Hyderabad-500 033
Ph.040 23351571; Fax: 040 23356573
E-mail: soundar@sagarcements.in; Website: www.sagarcements.in

NOTICE OF BOARD MEETING

Pursuant to Regulation 29 and 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Notice is hereby given that a Meeting of the Board of Directors of our Company is being convened to be held on Tuesday, the 28th January, 2020 to, inter-alia, consider, approve and take on record the un-audited stand alone and consolidated financial results of the company for the third quarter ending 31st December, 2019.

In accordance with the Code for Prevention of Insider Trading adopted by our company read with SEBI (Prohibition of Insider Trading) Regulations, 2015 as since amended, the Trading Window for the shares of our company will remain closed from the end of the above quarter till 48 hours after the announcement of the financial results for the said quarter. Accordingly, all the designated employees, key management personnel, directors and other connected persons of our company and its subsidiaries are advised not to enter in to any transactions involving the shares of the company during the above said trading window closure period.

A copy of this Notice is also available on the web site of the company, namely, www.sagarcements.in and on the web sites of the BSE Limited and National Stock Exchange of India Limited, namely, www.bseindia.com and www.nseindia.com respectively.

For SAGAR CEMENTS LIMITED
Sd/-
(R.Soundararajan)
Company Secretary

Place : Hyderabad
Date : 30-12-2019

SAGARSOFT (INDIA) LIMITED

CIN: L72200TG1996PLC023823
Regd.Office: Plot No.111, Road No.10,
Jubilee Hills, Hyderabad-500 033
Phone: 040 67191000,
email: info@sagarsoft.in,
Website: www.sagarsoft.in

NOTICE OF BOARD MEETING

Pursuant to Regulation 29 and 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Notice is hereby given that a Meeting of the Board of Directors of the Company will be held on Monday, the 20th January, 2020 to, inter-alia, consider, approve and take on record the un-audited financial results of the company for the third quarter and nine months period ending 31st December, 2019.

In accordance with the Code for Prevention of Insider Trading adopted by our company read with SEBI (Prohibition of Insider Trading) Regulations, 2015 as since amended, the Trading Window for the shares of our company will remain closed from the end of the above quarter till 48 hours after the announcement of the above said financial results. Accordingly, all the designated employees, key management personnel, directors and other connected persons of our company are advised not to enter in to any transactions involving the shares of the company during the above said trading window closure period.

A copy of this Notice is also available in the web site of the company, namely, www.sagarsoft.in and in the web site of the BSE Limited, namely, www.bseindia.com.

For Sagarsoft (India) Limited
Sd/-
J. Raja Reddy
Company Secretary

Place : Hyderabad
Date : 30-12-2019

INDUSIND BANK LTD.

1-10-72, 3rd floor, Ashoka Janardhana Chambers, Begumpet, Hyderabad - 500016. Ph: 040-40916229

PUBLIC NOTICE FOR AUCTION SALE

Sale of Immovable Properties under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 read with provison to Rule 8 (6) of the Security Interest (Enforcement) Rules, 2002.

Notice is hereby given to the public in general and in particular to the Borrower(s) and Guarantor(s) that the below described secured asset mortgaged/charged to the Secured Creditor, being M/s. IndusInd Bank Ltd, under the provisions of SARFAESI Act.

Pursuant thereto, on the failure of the below mentioned borrower and guarantors to repay the dues, the bank had issued Notice under **Section 13(2)** of SARFAESI Act, 2002 on **29/05/2013** calling upon the borrowers to repay the amount mentioned in the notice. Further the borrower and its guarantor failed to repay the amount and the undersigned has taken possession of the property described herein below in exercise of powers conferred on him under **Section 13 (4)** of the said Act, read with Rule 8 of the Security Interest Enforcement Rules, 2002 on **12.08.2013**. In view of the aforesaid the below mentioned mortgaged property will be sold on **"As is where is", "As is what is", and "Whatever there is"** on **17/01/2020** for recovery of Rs.23,07,787.59 (Rupees Twenty Three Lakhs Seven Thousand Seven Hundred and Eighty Seven paise Fifty Nine only) as on **29-05-2013** with further interest at the contractual rate and costs, charges and expenses due to IndusInd Bank Ltd., from the borrowers **M/s.Shree Krishna Sarees, Mr.Varun Kumar Sadh, Rumi Sadh**. The Reserve price will be **Rs.25,00,000/-(Rupees Twenty Five Lakhs Only)** and the Earnest Money Deposit will be **Rs.2,50,000/- (Rupees Two lakhs Fifty Thousand Only)**

Names of Borrower / Co-Borrower/Guarantors	**M/s. Shree Krishna sarees., Mr. Varun Kumar Sadh, Mrs. Rumi Sadh**
Description of Immovable Property: All that open residential plot bearing no. 36 admeasuring area 198 Sq.yds or equivalent to 165.52 Sq.Mtrs. in Sy. No. 91/2,125 part and 127/1 part situated at VAMPUGUDA under GHMC, Kapra Circle, Keesara Mandal, Ranga Reddy District (covered under block no.3) in the name of Varun Kumar Sadhand **bounded by: East:** Plot No.35, **South:** Neighbour land, **West:** Plot No.37, **North:** 40' feet wide Road.	
Reserve Price	**Rs.25,00,000/-**
Earnest Money Deposit (10% of Reserve Price)	**Rs.2,50,000/-**
Description of Movable Property	**Nil**
Claims, if any, which have been put forward against the property and any other dues known to Secured creditor and value	**Not Known**
Inspection of Property	**on 04.01.2020 between 11.00 a.m to 1.00 p.m**
Contact Person and Phone No	**Mr. D Varadaraj (Authorized Officer) 09966078652 or K Srikanth 9490209711**
Last date for submission of Bid/Bid	**16.01.2020 till 4.00 p.m**
Time and Venue of Bid Opening	**12.00 am, IndusInd Bank Ltd. Secunderabad branch, No. 100 Laxmi, Sardar Patel Road, Begumpet, Hyderabad 500003.**

For detailed terms & conditions of the sale, please refer to the link provided in Secured Creditors website i.e. **https://www.indusind.com** for detailed terms & conditions of auction/sale of respective property and other details before submitting their bids for taking part in the auction. **Bidders Support Nos.: Varadaraj Mob.: 9966078652 vardaraj.devaraj@indusind.com** & **Help Line Nos.: 040-40916229. Contact Persons: Mr.K.Srikanth 9490209711, email: kotagiri.srikanth@indusind.com**

Date : 31.12.2019
Place: Hyderabad

Sd/- Authorised Officer, Indusind Bank Ltd.

KARUTURI GLOBAL LIMITED

204, Embassy Center, Crescent Road, Bangalore - 560 001,
CIN: L01122KA1994PLC016834 Tel: 080-23085300
Email: info@karuturi.com www.karuturi.com

STANDALONE FINANCIAL RESULTS FOR THE PERIOD QUARTER ENDED JUN 30, 2019

(Rupees in Lacs)

Particulars	STANDALONE 30.06.2019 3M Ended	31.03.2019 3M Ended	30.06.2018 3M Ended
INCOME FROM OPERATIONS			
Total income from operations (net)	24.91	215.92	195.50
Net Profit/(Loss) for the period after tax	160.14	(1,300.56)	132.79
Total Comprehensive Income	160.14	(1,299.59)	132.81
Equity Share Capital	14,975.32	14,975.32	14,975.32
Reserves (excluding Revaluation Reserve as shown in the Balance Sheet of previous year)			
Earnings Per Share (before extraordinary items) (of 1/- each)			
Basic :	0.01	(0.09)	0.01
Diluted:	0.01	(0.09)	0.01
Earnings Per Share (after extraordinary items) (of 1/- each)			
Basic :	0.01	(0.09)	0.01
Diluted :	0.01	(0.09)	0.01

Note: The above is an Extract of the Detailed Format of Quarterly Financial Results filed with the Stock Exchange under Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The Full format of the quarterly Financial Results is available on the website of Bombay Stock Exchange at www.bseindia.com, National Stock Exchange of India Limited at www.nseindia.com and on the Company's Website at www.karuturi.com.

For Karuturi Global Limited
Sd/-
Sai Ramakrishna Karuturi
Managing Director

Place: Bangalore
Date: 25th December, 2019

STATE BANK OF INDIA

RACPC-Himayathnagar, 2nd Floor, CCPL Sterling Buildings, Himayathnagar, Hyderabad - 029.

POSSESSION NOTICE(Symbolic) Under Rule 8(1) & (2) (For Immovable properties)

Whereas The undersigned being the Authorised Officer of the State Bank of India, RACPC-Himayathnagar, under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and in exercise of the powers conferred under section 13(12) read with Rule 3 of the Security Interest (Enforcement) Rules, 2002 issued Demand Notices calling upon the following borrower(s)/guarantor(s), to repay the below mentioned liabilities in the respective Demand Notices within 60 days from the date of the receipt of the said notice.

Sl. No	Name of the Borrowers, Guarantors	Description of the Mortgaged properties	Liability
1	**1) Sri.B.Prudhvik Reddy** S/o B.Surender Reddy, **2) Sri. B. Surender Reddy** S/o Sri.B.Anantha Reddy, Flat No.302, Mega Residency, Sai Ram Nagar Colony, Karmanghat, Hyderabad - 500079. **Smt.Bendi Sunitha** W/o B.Surender Reddy (Guarantor), Flat No.302, Mega Residency, Sai Ram Nagar Colony, Karmanghat, Hyderabad - 500079. A/c. Nos.62475728562 & 62475728867 Demand Notice Date : 03.10.2019 Branch : Triveni Complex (30233)	All that piece and parcel of the Flat No.302 in Third Floor of Mega Residency, constructed on Plot Nos.148, 149 and 150, with a plinth area of 1087 Sft.,(including common areas), with an Undivided Share of Land admeasuring 29 Sq. Yards, or equivalent to 24.24 Sq. Mtrs, (Out of total extent of 773.32 Sq.Yards) in Sy Nos.144 to 153 and 156 to 159, Under Ward No.8, Block No.4 of Sairam Nagar, situated at Karmanghat Village, Saroornagar Revenue Mandal, Under L.B.Nagar Municipality, Ranga Reddy District, Registration Sub-District Champapet with Vide Regd. Sale Deed No.1352/2007 Dated 27.01.2007 in favour of Smt.Bendi Sunitha W/o B. Surender Reddy and bounded by : **Boundaries for Flat :** North : Open to Sky, South : Open to Sky, East : Open to Sky, West : Corridor and Open to Sky. **Boundaries for Entire Land** : North : Plot Nos.147, 146 and 145, South : 30' Wide Road, East : Plot No.151, West : 60	**Rs.25,75,744/-** as on 27-12-2019 + in & expenses thereon (Amount Due as per 13(2) **Rs. 24,79,744/-** as on 03-10-2019)
2	**1.Sri. Bhogireddy Suresh Babu** S/o B. Gopal Krishna Reddy, **2.Smt. B. Padmavathi** W/o B. Suresh Babu, Flat No.22, Neeladri Apartments, Tilak Nagar, New Nallakunta, Hyderabad. **1.Office:** UDC, Director Khadi Village and Commission, Gandhi Bhavan, Hyderabad. **2.Office:** B Padmavathi Teacher, Sri Vidya Secondary School, Tilak Nagar, Nallakunta, Hyderabad. A/c. No. 62119833541 Demand Notice Date: 14.10.2019 Branch : Golnaka	All that the Flat No.C07-403 in Fourth Floor in EMERALD Sector, Sahabavana Township with a plinth area of 798.37 Square Feet in Survey No.42 situated at Bandla Guda Village Uppal mandal Ranga Reddy District, Under SRO-UPPAL, Vide Regd. Sale Deed No. 8428/2017 Dated 29.06.2017 in favour of Sri. Bhogireddy Suresh Babu S/o B. Gopal Krishna Reddy and bounded as follows : North : Open To Sky, South : Corridor, East : Flat No.404, West : Staircase	**Rs.6,96,926/-** + interest & expenses thereon (Amount Due as per 13(2) **Rs.6,74,126/-** as on 13-10-2019)

The borrowers having failed to repay the amount, notice is hereby given to the borrowers /guarantors and the public in general that the undersigned has taken possession of the property described herein above in exercise of powers conferred on him under section 13(4) of the said Act read with Rule 8 of the said Rules on **27.12.2019.**

The borrowers attention is invited to the provision of section 13(8) of the act in respect of time available to redeem the securities. The borrower(s)/ guarantor(s) in particular and the public in general are hereby cautioned not to deal with the property(ies) and any dealings with the property(ies) will be subject to the charge of the State Bank of India, RACPC-Himayathnagar, for an amount specified in the above notice plus interest and expenses thereon.

Date : 27.12.2019, Place : Hyderabad. **Sd/-Authorised Officer,** State Bank of India

RP - Sanjiv Goenka Group
Growing Legacies

firstsource
Stay Ahead

FIRSTSOURCE SOLUTIONS LIMITED

CIN: L64202MH2001PLC134147
Registered office: 5th Floor, Paradigm 'B' wing, Mindspace, Link Road, Malad (West), Mumbai - 400 064, India
Tel: + 91 22 6666 0888, Fax: + 91 22 6666 0887
Web: www.firstsource.com Email: complianceofficer@firstsource.com

NOTICE

Notice is hereby given that pursuant to Regulation 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, a meeting of the Board of Directors of the Company will be held on Tuesday, 4th February 2020 to consider and approve, *inter-alia*, the Audited Standalone and Consolidated Financial Results for the Quarter ended 31st December 2019.

The Notice is also available on the website of the Company i.e. www.firstsource.com and on the websites of BSE Ltd (http://www.bseindia.com) and NSE (http://www.nseindia.com).

By order of the Board of Directors
Sd/-
Pooja Nambiar
Company Secretary & Compliance Officer

Place : Mumbai
Date : 30th December 2019

BAJAJ HOLDINGS & INVESTMENT LIMITED

CIN: L65993PN1945PLC004656
Regd Office: Bajaj Auto Limited Complex, Mumbai-Pune Road, Akurdi, Pune 411 035. Tel: (020) 66107150 | Fax: (020) 27407380
Website: www.bhil.in | Email ID: investors@bhil.in

PUBLIC NOTICE

Pursuant to Regulation 47 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, NOTICE IS HEREBY GIVEN that a meeting of the Board of Directors will be held on **Thursday, 30 January 2020** in Pune to consider, inter alia, the unaudited financial results for the quarter and nine months ending 31 December 2019.

After the conclusion of the meeting, the outcome thereof will be available on the website of the Company as also on the website of BSE Limited and National Stock Exchange of India Limited viz. www.bseindia.com and www.nseindia.com respectively.

For Bajaj Holdings & Investment Limited,

Place: Pune
Date: 30 December 2019

Sriram Subbramaniam
Company Secretary

INDUSTRIAL & PRUDENTIAL INVESTMENT CO. LTD.

CIN: L65990WB1913PLC218486
Registered Office: Paharpur House, 8/1/B Diamond Harbour Road, Kolkata 700027
Tel. No. +91 33 40133000; Email: contact@industrialprudential.com, Website: www.industrialprudential.com

NOTICE
ANNOUNCEMENT OF POSTAL BALLOT RESULT

Notice is hereby given that pursuant to the provisions of section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules 2014 and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, the Company had conducted voting through Postal Ballot for passing the following resolution.
Based on the Scrutinizer's Report dated 27th December, 2019, the result of Postal Ballot is as under:

Particulars of the resolutions	Total no. of votes polled	No. of shares and % of total votes cast in favour		No. of shares and % of total votes cast in against	
	No. of shares	No. of shares	% of votes	No. of shares	% of votes
Re-approval of the Scheme of Amalgamation of New Holding and Trading Company Limited, the Company's wholly owned subsidiary (WOS) originally approved at the 102nd Annual General Meeting held on the 3rd August, 2018, subject to various statutory approvals	11,42,433	11,42,433	100.00	0	0.00

The above resolution has been passed with requisite majority.

For **Industrial and Prudential Investment Co. Ltd.**
Sd/-
Ayan Datta
Company Secretary

Date: 27/12/2019
Place: Kolkata

SMC 12/2019

CIN: L35912MH1975PLC018376

MAHARASHTRA SCOOTERS LIMITED

Regd.Office: C/o.Bajaj Auto Ltd., Mumbai–Pune Road Akurdi, Pune–411035
Website: www.mahascooters.com
E-mail: investors_msl@bajajauto.co.in
Phone: 020-66106564

PUBLIC NOTICE OF BOARD MEETING

Pursuant to Regulation 47 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, **NOTICE IS HEREBY GIVEN** that a meeting of the Board of Directors of the Company will be held on **Tuesday, 28 January 2020** at the Registered Office of the Company, to consider, inter-alia, the unaudited financial results for the quarter and nine month ending on 31 December 2019.

After conclusion of the meeting, the outcome thereof would be made available on the website of the company, viz., www.mahascooters.com as also on the website of BSE Limited and National Stock Exchange of India Ltd. viz., www.bseindia.com and www.nseindia.com respectively.

For Maharashtra Scooters Limited

Place: Pune 411035
Date: 31 December 2019

N.S. Kulkarni
Company Secretary

70 YEARS — BAJAJ — THE WORLD'S FAVOURITE INDIAN

BAJAJ AUTO LIMITED

CIN: L65993PN2007PLC130076
Regd Office: Bajaj Auto Limited Complex
Mumbai-Pune Road, Akurdi, Pune 411 035
Tel:(020) 66106503 Fax: (020) 27407380
Website: www.bajajauto.com Email ID: investors@bajajauto.co.in

PUBLIC NOTICE

Pursuant to Regulation 47 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, NOTICE IS HEREBY GIVEN that a meeting of the Board of Directors will be held on **Thursday, 30 January 2020** in Pune to consider, inter alia, the unaudited financial results for the quarter and nine months ending 31 December 2019.

After the conclusion of the meeting, the outcome thereof will be available on the website of the Company as also on the website of BSE Limited and National Stock Exchange of India Limited viz. www.bseindia.com and www.nseindia.com respectively.

For Bajaj Auto Limited,

Pune
Dated: 30 December 2019

Dr. J Sridhar
Company Secretary

Invitation for submission of a Scheme under Section 230 of Companies Act, 2013 KSS Petron Private Limited (In Liquidation)

Registered Office: Swastik Chambers, 6th Floor, Sion Trombay Road, Chembur Mumbai-400071, Maharashtra; CIN: U45400MH2007PTC234297

Take notice for invitation of a Scheme of Compromise and Arrangement under Section 230 of the Companies Act, 2013 from Members or any class of them/Creditors or any class of them, of KSS Petron Private Limited (Corporate Debtor/Company).

Interested Members/Creditors of the Company who are eligible under the provisions of the Companies Act, 2013 and the Insolvency and Bankruptcy Code, 2016 may submit their Scheme for the revival of the Company to the undersigned by email or in a sealed envelope at any of the email id /office address mentioned below. Any Query on the same may be directed to the undersigned. The Scheme should be submitted latest by 30.01.2020.

Sd/-
CS Vineet K Chaudhary
(Liquidator)
In the matter of KSS Petron Private Limited
Registration No.: IBBI/IPA-002/IP-N00103/2017-2018/10246
liquidatorksspetron@vkcindia.com (process specific)
ip.vineetchaudhary@gmail.com (registered with IBBI)
Telephone Number: 011-49121644-45
Address of the Liquidator registered with IBBI:
D-38, LGF (L/S), South Extension Part-II, New Delhi-110049

Date: 30.12.2019
Place: New Delhi

DEWAN SUGARS LIMITED

CIN: L67120UP1996PLC020075
R.O.: Bypass Road, Partapur, Meerut, Uttar Pradesh- 250103
Tel. No.: +91-121-2441003, **Email ID:** dewansugars@hotmail.com
Website : www.dewansugarsindia.com

This Public Announcement (**"PA"**) is being issued by Mr. Vivek Dewan one of the promoters of Dewan Sugars Limited (**"the Company"** or **"Dewan Sugars"** or **"ELC"**) on behalf of promoters & promoter group to the public shareholders of Company, pursuant to the circular issued by the **Securities and Exchange Board of India ("SEBI")** bearing No. CIR/MRD/DSA/05/2015 dated 17th day of April 2015 and **Circular No. SEBI/HO/MRD/DSA/CIR/P/2016/110 dated 10.10.2016**.

The equity shares of your Company were listed at Delhi Stock Exchange Limited, Uttar Pradesh Stock Exchange Limited and Ahmedabad Stock Exchange Limited, which have been derecognized by SEBI, thus your Company lost its status as a Listed Company and has been referred to Dissemination board of BSE Limited.

The promoters of the Company have appointed Khambatta Securities Limited a SEBI registered Category- 1 Merchant Banker and empanelled with BSE Limited as an Independent Valuer. The said independent Valuer in its valuation report has determined that the Networth of Company is negative and the fair value of equity share of the Company is Rs. (26.13) per share. Thus as per aforesaid SEBI Circular and Guidelines issued by BSE in this behalf, the Company is applying to BSE Limited for removal of its name from Dissemination Board of BSE Limited without giving any exit option to public shareholders.

All queries in this regard may be directed to Mr. Rakesh Kumar Agarwal, at Bypass road, Partapur, Meerut, Uttar Pradesh Tel. No.: +91- 121-2441003, Mobile: +91-90846-72914, Email Id: dsluday@gmail.com

Sd/-
Vivek Dewan
Promoter & Director
Dewan Sugars Limited

Place : Meerut
Date : 30.12.2019

SCHEDULE II
FORM B
PUBLIC ANNOUNCEMENT

(Regulation 12 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016)

FOR THE ATTENTION OF THE STAKEHOLDERS OF KSS PETRON PRIVATE LIMITED

SL No.	PARTICULARS	DETAILS
1	Name of Corporate Debtor	KSS Petron Private Limited
2	Date of incorporation of Corporate Debtor	19.07.2007
3	Authority under which Corporate Debtor is incorporated/registered	Registrar of Companies, Mumbai
4	Corporate Identity No. of Corporate Debtor	U45400MH2007PTC234297
5	Address of the registered office and principal office (if any) of corporate debtor	Registered Office: Swastik Chambers, 6th Floor, Sion Trombay Road, Chembur Mumbai-400071, Maharashtra Principal Office/Corporate Office: 127, Vipul Business Park, First Floor, Sector-48, Sohna Road, Gurgaon-122018, Haryana
6	Date of closure of Insolvency Resolution Process	07.02.2019
7	Liquidation commencement date of Corporate Debtor	27.12.2019 (Vide Hon'ble Adjudicating Authority's Order dated 27.12.2019)
8	Name and registration number of the insolvency professional acting as liquidator	Name: CS Vineet K Chaudhary Registration Number: IBBI/IPA-002/IP-N00103/2017-2018/10246
9	Address and e-mail of the liquidator, as registered with the Board	Address: D-38, LGF (L/S), South Extension Part-II, New Delhi-110049 Email Id: ip.vineetchaudhary@gmail.com
10	Address and e-mail to be used for correspondence with the liquidator	Address: VKC Restructuring Professionals LLP D-38, LGF (L/S), South Extension Part-II, New Delhi-110049 Contact Number: 011-49121644/45 Email id (process specific): liquidatorksspetron@vkcindia.com
11	Last date for submission of claims	26.01.2020

Notice is hereby given that the Hon'ble Adjudicating Authority (the National Company Law Tribunal, Mumbai Bench at Mumbai) has ordered the commencement of liquidation of KSS Petron Private Limited on 27.12.2019.

The stakeholders of KSS Petron Private Limited are hereby called upon to submit their claims with proof on or before 26.01.2020, to the Liquidator at the address mentioned against item 10.

The financial creditors shall submit their claims with proof by electronic means only. All other creditors may submit the claims with proof in person, by post or by electronic means in their respective forms as prescribed in Schedule II of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 (Available at https://www.ibbi.gov.in/home/downloads) and also at http://www.ksspetron.in/.

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

Sd/-
CS Vineet K Chaudhary
(Liquidator)
In the matter of KSS Petron Private Limited
Registration No.: IBBI/IPA-002/IP-N00103/2017-2018/10246
liquidatorksspetron@vkcindia.com (process specific)
ip.vineetchaudhary@gmail.com (registered with IBBI)
Telephone Number: 011-49121644-45
Address of the Liquidator registered with IBBI:
D-38, LGF (L/S), South Extension Part-II, New Delhi-110049

Date: 30.12.2019
Place: New Delhi

Public Announcement for e-auction to be held on 07th January 2020 (from 12:00 noon) to 13th January 2020(till 4 pm) for sale of assets of Eastern Gases Limited-In Liquidation **AS IS WHERE IS BASIS, AS IS WHAT IS BASIS, WHATEVER THERE IS BASIS AND NO RECOURSE BASIS"**, THORUGH E-Auction service provider MSTC Limited. The detail of announcement is available at the website: www.kuldeepverma.in. The detail of assets on e-auction is available on www.mstcecommerce.com. To participate & registration log on to www.mstcecommerce.com and for more detailed terms and conditions visit www.mstcinida.co.in.

Place: Kolkata
Date: 31st December 2019

Sd/-
Liquidator
Kuldeep Verma
Regn no.IBBI/IPA-001/IP-P00014/2016-17/10038
46 BB Ganguly Street, 5th Floor, Unit No. 501, Kolkata-700012
Email: kuverma@gmail.com

Camlin KOKUYO

KOKUYO CAMLIN LIMITED

CIN: L24223MH1946PLC005434
Regd. Office: 48/2, Hilton House, Central Road, MIDC, Andheri (E), Mumbai - 400 093
Tel: 91-022-66557000
Fax: 91-022-28366579
E-mail: investorrelations@kokuyocamlin.com
Website: www.kokuyocamlin.com

NOTICE

Pursuant to Regulations 29 and 47(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Notice is hereby given that a meeting of the Board of Directors of the Company, will be held on Thursday, the 23rd January, 2020 to consider and approve inter-alia, the Standalone Unaudited Financial Results for the Third quarter and Nine months ended 31st December, 2019.

Further, in line with Regulation 47(2) of the aforesaid Regulations, this Notice is also available on the websites of:

1. The Company viz. www.kokuyocamlin.com
2. BSE Limited (www.bseindia.com) and National Stock Exchange of India Limited (www.nseindia.com)

FOR KOKUYO CAMLIN LIMITED
RAVINDRA DAMLE
VICE PRESIDENT (CORPORATE) & COMPANY SECRETARY

Place : Mumbai
Date : 30/12/2019

NEW DELHI TELEVISION LIMITED

CIN: L92111DL1988PLC033099
Regd. Off.: B 50A, 2nd Floor, Archana Complex, Greater Kailash – I, New Delhi-110048
Phone: (91-11) 4157 7777, 2644 6666 | Fax: 49862990
E-mail: **corporate@ndtv.com**; | Website: **www.ndtv.com**

NOTICE

Notice is hereby given pursuant to the provisions of Regulation 29 and 47 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, that a meeting of the Board of Directors of New Delhi Television Limited will be held on Monday, February 10, 2020, inter-alia to consider and approve un-audited financial results (standalone & consolidated) of the Company for the quarter and nine months ended December 31, 2019.

Accordingly, the trading window for dealing in the shares of the Company will remain closed from **December 31, 2019 up to February 12, 2020** (both days inclusive), i.e. 48 hours after the Board Meeting to be held on February 10, 2020.

Information in this regard is also available on the website of the Company i.e. **www.ndtv.com** and on the website of stock exchanges i.e. **www.bseindia.com** and **www.nseindia.com**.

For New Delhi Television Limited

Place : New Delhi
Date : December 30, 2019

Shiv Ram Singh
Company Secretary & Compliance Officer

RAMCO INDUSTRIES LIMITED

Reg. Office : 47, P.S.K. Nagar, Rajapalaiyam 626108, (Tamil Nadu)
CIN L26943TN1965PLC005297
Website : www.ramcoindltd.com email ID: ril@ril.co.in

NOTICE

Pursuant to Regulation 47(1)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Notice is hereby given that a Meeting of the Board of Directors of the Company will be held on Wednesday the 29th January, 2020 to consider inter alia the unaudited Standalone and Consolidated Financial Results of the Company for the Quarter and nine months ending 31st December, 2019.

This Notice is also available on the Company's website at **www.ramcoindltd.com** and on the website of the Stock Exchanges where the shares of the Company are listed at **www.bseindia.com** and **www.nseindia.com**

For **RAMCO INDUSTRIES LIMITED**
S. BALAMURUGASUNDARAM
COMPANY SECRETARY & LEGAL HEAD

Chennai
31.12.2019

FORM G - INVITATION FOR EXPRESSION OF INTEREST

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

RELEVANT PARTICULARS

1	Name of the corporate debtor	Athena Chhattisgarh Power Limited
2	Date of incorporation of corporate debtor	14 February 2007
3	Authority under which corporate debtor is incorporated / registered	Registrar of Companies, Hyderabad
4	Corporate identity number / limited liability identification number of corporate debtor	U31908AP2007PLC058993
5	Address of the registered office and principal office (if any) of corporate debtor	7-1-24/1/RT, G-1, B-Block, Roxana Towers Greenlands, Begumpet Hyderabad TG 500016 IN
6	Insolvency commencement date of the corporate debtor	15 May 2019 (Copy of the order received on 24 May 2019)
7	Date of invitation of expression of interest	31 December 2019 (previous dates 29 August 2019 and 29 July 2019)
8	Eligibility for resolution applicants under section 25(2)(h) of the Code is available at:	The eligibility criteria for prospective resolution applicants can be accessed from https://rbsa.in/cirp_assignments.html or can be sought by email to athenachpower.cirp@gmail.com
9	Norms of ineligibility applicable under section 29A are available at:	Available at the website of IBBI (https://ibbi.gov.in/legal-framework/) or may be requested by an email to athenachpower.cirp@gmail.com.
10	Last date for receipt of expression of interest	07 January 2020 (previous dates 08 September 2019 and 13 August 2019). The prospective resolution applicants who have previously submitted their expression of interest against the EoIs published on 29 July 2019 or 29 August 2019 need not submit again. However, they shall intimate changes in their structure.
11	Date of issue of provisional list of prospective resolution applicants	11 January 2020 (previous dates 12 September 2019 and 23 August 2019)
12	Last date for submission of objections to provisional list	13 January 2020 (previous dates17 September 2019 and 28 August 2019)
13	Date of issue of final list of prospective resolution applicants	14 January 2020 (previous dates 21 September 2019 and 07 September 2019)
14	Date of issue of information memorandum, evaluation matrix and request for resolution plans to prospective resolution applicants	13 January 2020 (previous dates 17 September 2019 and 28 August 2019)
15	Manner of obtaining request for resolution plan, evaluation matrix, information memorandum and further information	Prospective Resolution Applicant(s) included in the provisional list will be provided evaluation matrix, information memorandum and request for resolution plan through email as provided under serial number 21 of the form. The same shall be provided after submission of confidentiality undertaking by such applicant(s).
16	Last date for submission of resolution plans	24 January 2020 (previous dates 17 October 2019 and 27 September 2019)
17	Manner of submitting resolution plans to resolution professional	In a sealed envelope by post/hand as well as digital copy in a pen drive to the resolution professional at the address provided in the row number 20 of this table on or before the last date of submission of resolution plan(s), 24 January 2020.
18	Estimated date for submission of resolution plan to the Adjudicating Authority for approval	As soon as the resolution plan is approved by the committee of creditors.
19	Name and registration number of the resolution professional	C. Bala Mouli IBBI/IPA-001/IP-P00321/2017-18/10608
20	Name, Address and e-mail of the resolution professional, as registered with the Board	C. Bala Mouli A: 1-7-297/18A, 125 M.G. Road, Parsi Compound, Behind Godrej Show Room, Secunderabad, Telangana, 500003 E: irpcbmouli@gmail.com
21	Address and e-mail to be used for correspondence with the resolution professional	C. Bala Mouli A: 1-7-297/18A, 125 M.G. Road, Parsi Compound, Behind Godrej Show Room, Secunderabad, Telangana, 500003 E: athenachpower.cirp@gmail.com
22	Further Details are available at or with	Further details can be sought by the email at: athenachpower.cirp@gmail.com
23	Date of publication of Form G	31 December 2019

Sd/-
Mr. C. B Mouli IBBI/IPA-001/IP-P00321/2017-18/10608
Address: 1-7-297/18A, 125 M.G. Road, Parsi Compound, Behind Godrej Show Room, Secunderabad, Telangana, 500003 **For Athena Chhattisgarh Power Limited**
Email ID:- cbmouli@gmail.com, athenachpower.cirp@gmail.com
Date: 31 December 2019 Place: Hyderabad

BNP PARIBAS MUTUAL FUND

Investment Manager: BNP Paribas Asset Management India Private Limited (AMC)
Corporate Identity Number (CIN): U65991MH2003PTC142972

Registered Office: BNP Paribas House, 1 North Avenue, Maker Maxity, Bandra Kurla Complex, Bandra - East, Mumbai - 400 051. **Website:** www.bnpparibasmf.in • **Toll Free:** 1800 102 2595

NOTICE CUM ADDENDUM NO. 44/2019

Notice cum Addendum to the Statement Of Additional Information (SAI), Scheme Information Document (SID) and Key Information Memorandum (KIM) for the Schemes of BNP Paribas Mutual Fund ('the Fund'):

Change in address of Official Points of Acceptance of Transactions (OPAT):

Investors are requested to note the change in address of the following Official Points of Acceptance of Transactions (OPAT) of KFin Technologies Private Limited, Registrar & Transfer Agents:

Old Address	New Address	Effective date
114/71, G. T. Road, Bhanga Panchil, Near Nokia Care, Asansol - 713 303	112/N, G. T. Road, Bhanga Pachil, G. T. Road, Asansol - 713 303, Paschim Bardhaman, West Bengal	December 31, 2019
Shop No. 1, First Floor Plot No. 1, Commercial Complex Nehru Nagar – East, Bhilai - 490 020	Office No. 2, 1st Floor; Plot No. 9/6, Nehru Nagar [East], Bhilai, Durg - 490 020, Chhattisgarh	January 01, 2020
Triveni Building, By Pas Chowkkhallini, Shimla - 171 002	1st Floor, Hills View Complex, Near Tara Hall, Shimla - 171 001, Himanchal Pradesh	
D. No: 2-10-1298, 2nd Floor, Rathnam Arcade, Jyothi Nagar, Karimnagar - 505 001	2nd Shutter, H. No. 7-2-607, Sri Matha Complex, Mankammathota, Karim Nagar, Telangana - 505 001	
Shri Market Sahabgunj Station Road, Gonda - 271 001	House No. 782, Shiv Sadan, ITI Road, Near Raghukul Vidya Peeth, Civil Lines, Gonda - 271 001, Uttar Pradesh	January 06, 2020
Above Kapilaz, Sweet House, Opp. LIC Building, Pilikothi, Kaladhungi Road, Haldwani - 263 139	Shop No. 5, KMVN Shoping Complex, Haldwani - 263 139, Uttarakhand	
54, Lal Kothi Compound, Shree Krishna Road, 2nd Floor, North Side, Near Royal Surya Hotel, Gaya - 823 001	Ground Floor, Hotel Skylark, Swaraipuri Road, Gaya - 823 001, Bihar	
136-137-138, Madhav Plaza, Opp. SBI Bank, Near Lal Bungalow, Jamnagar - 361 001	1st Floor, Madhav Plaza, Opp. SBI Bank, Near Lal Bunglow, Jamnagar - 361 001, Gujarat	

Note: This Notice cum addendum forms an integral part of the SAI, SID & KIM of the Fund read with the addenda issued thereunder. All other terms and conditions mentioned in the SAI, SID & KIM shall remain unchanged.

For BNP Paribas Asset Management India Private Limited
(Investment Manager to BNP Paribas Mutual Fund)
Sd/-
Jyothi Krishnan
Head of Compliance, Legal & Secretarial

Date : December 30, 2019
Place : Mumbai

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

TATA ELXSI LIMITED

ITPB Road, Whitefield, Bengaluru-560048

NOTICE

Notice is hereby given that the certificate(s) for the under mentioned securities of the Company have been lost and the holder of the said securities have applied to the Company to issue duplicate certificate(s).

Any person who has a claim in respect of the said securities should lodge such claim with the Company at its Registered Office within 15 days from this date, else the Company will proceed to issue duplicate certificate(s) without further intimation.

Name of Share Holder	Kind of Securities and face value	No of Securities	Distinctive number(s)
Ashish Jain	Equity Rs.10/-	100 100 200	11258611-11258710 15044211-15044310 32335384-32335583

Place : Kolkata
Date : 31.12.2019
Name of Holder - Ashish Jain

Mafatlal

MAFATLAL INDUSTRIES LIMITED

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

NOTICE

NOTICE IS HEREBY GIVEN pursuant to Regulation 29 and Regulation 47 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Meeting of the Board of Directors of the Company will be held on Thursday, 13th day of February, 2020, at Mumbai, inter alia, to consider and approve the Unaudited Financial Results of the Company for the Quarter ending on 31st December, 2019.

Further, We have to inform you that pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended read with the Company's Code of Conduct to Regulate, Monitor and Report Trading, the Trading Window in respect of dealings in the Equity Shares of the Company, would remain closed, for all the Directors, Designated (specified) Employees of the Company and "the connected persons" with the Company, with effect **from 31st December, 2019 to 15th February, 2020 (both days inclusive).** The trading window in respect of dealing in the shares of the Company shall re-open from **16th February, 2020.**

This information is also available on Company's website www.mafatlals.com, as also on the website of the Bombay Stock Exchange Limited www.bseindia.com

Place : Ahmedabad
Dated : 30th December, 2019

For Mafatlal Industries Limited,
Ashish A. Karanji
Company Secretary

ARVIND MAFATLAL GROUP
The ethics of excellence

BAJAJ FINANCE LIMITED

PUBLIC NOTICE

Pursuant to Regulation 47 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, NOTICE IS HEREBY GIVEN that a meeting of the Board of Directors of **Bajaj Finance Limited** will be held on **Wednesday, 29 January 2020** in Pune to consider, *inter-alia*, the unaudited financial results for the quarter and nine months ending 31 December 2019.

The outcome of the above meeting will be available on the website of the Company as also on the website of BSE Limited and National Stock Exchange of India Limited viz. **www.bseindia.com** and **www.nseindia.com** respectively.

For **Bajaj Finance Limited**

Place: Pune
Date: 30 December 2019

R. Vijay
Company Secretary

CIN: L65910MH1987PLC042961
Regd. Office: Akurdi, Pune – 411 035
Corporate Office: 4th Floor, Bajaj Finserv Corporate Office, Off Pune- Ahmednagar Road, Pune – 411 014
Tel.: 020-71576403, **Fax:** 020-71576364
Email ID: investor.service@bajajfinserv.in
Website: www.bajajfinserv.in/corporate-bajaj-finance

BAJAJ FINSERV LIMITED

PUBLIC NOTICE

Pursuant to Regulation 47 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, NOTICE IS HEREBY GIVEN that a meeting of the Board of Directors of Bajaj Finserv Limited will be held on Wednesday, 29 January 2020 in Pune to consider, inter alia, the unaudited financial results for the quarter and nine-months ending 31 December 2019.

After the conclusion of the meeting, the outcome thereof will be available on the website of the Company www.bajajfinserv.in as also on the website of BSE Limited and National Stock Exchange of India Limited, viz., www.bseindia.com and www.nseindia.com respectively.

For Bajaj Finserv Limited

Place: Pune
Date: 30 December 2019

Sonal R Tiwari
Company Secretary

CIN: L65923PN2007PLC130075
Regd. Office: Bajaj Auto Limited Complex, Mumbai-Pune Road, Akurdi, Pune 411 035.
Tel.: 020 6610 7458, **FAX:** 020 2740 7380
Website: www.bajajfinserv.in
Email ID: investors@bajajfinserv.in

Mindteck

MINDTECK (INDIA) LIMITED

(CIN: L30007KA1991PLC039702)
Registered Office: A.M.R. Tech Park, Block 1, 3rd Floor, #664, 23/24, Hosur Main Road, Bommanahalli, Bengaluru - 560 068.

NOTICE
Transfer of Equity Shares in favour of Investor Education and Protection Fund (IEPF) Authority

Notice is hereby published pursuant to the provisions of Section 124 (6) of the Companies Act, 2013, (the Act) read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (Rules) as amended from time to time, that the **Equity Shares** of the Company in respect of which dividend amounts have remained unpaid / unclaimed for seven (7) consecutive years or more are required to be transferred to **Investor Education and Protection Fund (IEPF).**

In compliance with the Rules, the Company has sent individual notices to all the concerned shareholders, whose shares are liable to be transferred to IEPF, the full details of such shareholders together with their Folio No. / DP-Client ID is made available on the Company's website **www.mindteck.com/investors**.

In this connection, please note the following:

a. **For shares held in physical form:** Duplicate Share Certificate(s) shall be issued and transferred to IEPF. The Original Share Certificate(s) which stand registered in those shareholder's name and held by them, shall automatically stand cancelled.
b. **For shares held in electronic form:** Those shareholder's demat account shall be debited for the shares liable for transfer to IEPF.

Those concerned shareholders are requested to make a valid claim for their unclaimed dividend to our Registrar and Share Transfer Agent (RTA), so soon as possible. In the event no valid claim is received by the Company from them on or before **March 27, 2020,** the Company will proceed to transfer the Equity Shares in favour of **IEPF Authority** without any further notice. Please note that the concerned shareholders can claim those shares from the IEPF Authority by making an application in the prescribed Form IEPF-5 online and sending the physical copy of the requisite documents enumerated in the Form IEPF-5, to the Nodal Officer of the Company. Please also note that no claim shall lie against the Company in respect of those shares / unclaimed dividends, once it is transferred to IEPF pursuant to the Rules.

In case of any queries, the concerned shareholders may contact the Company's RTA, Universal Capital Securities Private Limited, 21/25, Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai - 400093, Tel. No.: 022 2820 7203-05,Email: **info@unisec.in**.

For Mindteck (India) Limited
Sd/-
Shivarama Adiga S.
V.P., Legal and Company Secretary

Place: Bengaluru
Date: December 31, 2019

Companies

TUESDAY, DECEMBER 31, 2019

SHIFTING GEARS

Rakesh Sharma, executive director, Bajaj Auto

For instance, in the 100cc bikes, we have given an upgrade of 110cc. Plus a lot of features like digital consoles, superior suspension, DRLs (daytime running lamps) or better colour and graphic options are being explored which are not usually there in this segment

Quick View

GoMechanic raises ₹105 cr in latest round of funding

START-UPTECHNOLOGY-ENABLED CAR service provider GoMechanic on Monday said it has raised ₹105 crore in Series B funding in a round led by Chiratae Ventures and Sequoia Capital. Orios Venture Partners was the other investor which participated in the 3rd round of institutional funding, GoMechanic said. The investment will be used to support expansion into 10 more cities by the end of 2020 in its EV thrust, brand promotion and in streamlining spare parts procurement, it added. Commenting on the fund raised, GoMechanic Co-Founder Kushal Karwa said, "The money raised will allow us to continue our aggressive geographical expansion besides investment in innovation to keep us ahead of the curve."

Dr Reddy's launches hypotensive injection in US

DRUG FIRM DR REDDY'S Laboratories on Monday said it had launched in the US sodium nitroprusside injection used for immediate reduction of blood pressure in hypertensive crises. The firm has launched generic sodium nitroprusside injection, 50 mg/2 ml (25 mg/ml) single-dose vial after getting approval from the US Food and Drug Administration (US FDA), Dr Reddy's Labs said in a filing to the BSE. The product is a generic version of Hospira Inc's Nitropress injection, 50 mg/2ml, it added.

Fortis appoints Farid Bin Mohamed Sani as director

FORTIS HEALTHCARE ON Monday said its board has approved the appointment of Farid Bin Mohamed Sani as an additional director of the company with immediate effect. The board has approved his appointment as a non-executive and non-independent additional director, Fortis Healthcare said in a filing to BSE. "He (Farid) will hold the office up to the next annual general meeting and will be regularised subject to the approval of the shareholders," it added.

DGCA launches phase 1 of e-Governance project

AVIATION REGULATOR DGCA on Monday launched phase-1 services of the e-Governance (eGCA) project under which automated commercial pilot licences (CPLs) will be issued. According to a release, rolling out commercial pilot licences in automated form would help in expediting the process of issuing these licenses and would do away with manual handling and processing of applications. "With this roll out, almost seven hundred aspirant pilots would be benefited every year," it added.

Chandrasekaran says Tata Group stronger, more resilient

TATA SONS CHAIRMAN N Chandrasekaran on Monday said uncertainties will persist in the new year but exuded confidence that the diversified conglomerate is better placed to take on challenges. He said the salt-to-software & 110-billion group is "stronger, more resilient and future ready" now and is moving "decisively" on financial fitness and operational efficiencies. The comments from the group chairman, whose appointment was recently termed as illegal by the NCLAT on a petition by his predecessor Cyrus Mistry, comes at a time when growth has slowed to a six-year low domestically and there are clouds of uncertainties globally as well.

In an email to employees, Chandrasekaran said there is a steady improvement at the group level performance but also pointed out that there is more work to be done in case of some companies, which are facing headwinds due to the economic conditions. "Macro uncertainties will persist in 2020, but they will also be accompanied by new opportunities across different businesses and markets." —PTI

AGGRESSIVE PLAN

Bajaj banks on marketing, features to rev up entry level

PRITISH RAJ
New Delhi, December 30

TO GET A bigger chunk of the market pie, Bajaj Auto has carved out a strategy to become more visible in the commuter and executive bikes segment, which includes more product launches and upgrades in the next two to three years and adoption of an aggressive marketing plan.

The Pune-based two-wheeler manufacturer has around 17% market share in the sub-110cc bikes, a segment which has been for long heavily dominated by market leader Hero MotoCorp with a market share of 70%.

In the executive segment (more than 110cc and less than 125cc), Bajaj's presence is even less with a 7% market share. While Hero MotoCorp commands a 51% market share in the executive segment, Honda Motorcycle & Scooter India (HMSI) holds 39%.

Rakesh Sharma, executive director at Bajaj Auto, said the strategy was centered around offering more features at similar prices as that of the competitors. "For instance, in the 100cc bikes, we have given an upgrade of 110cc. Plus a lot of features like digital consoles, superior suspension, DRLs (daytime running lamps) or better colour and graphic options are being explored which are not usually there in this segment," Sharma told *FE*.

Sharma said better marketing and advertisements for the new products and upgrades would help attract consumers. "Of course we have to back that up with better communication and convey the message clearly to the customers," he added. Bikes like CT110, Platina and Discover are likely to come with upgraded design and aesthetics.

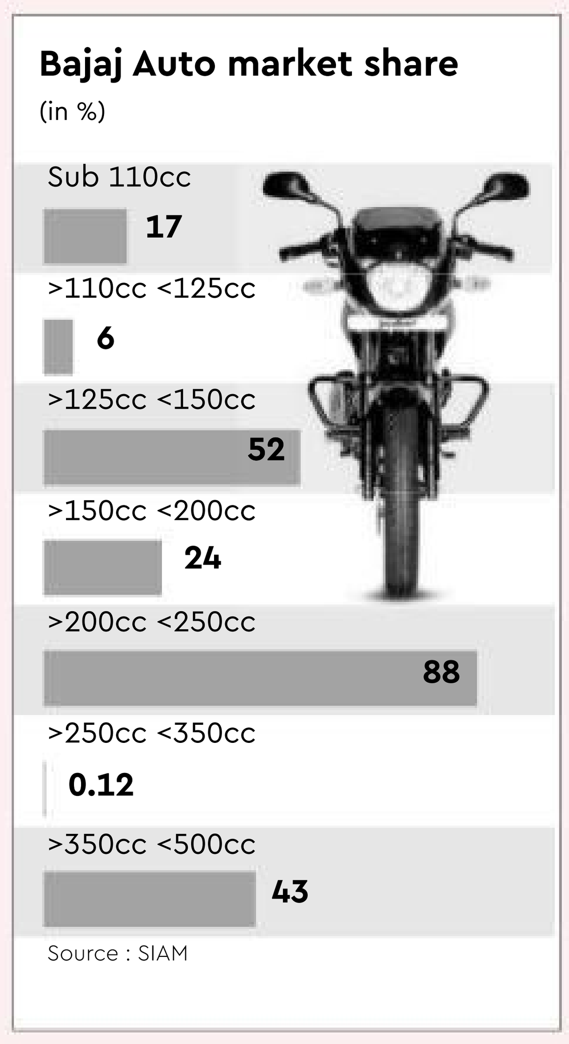
Analysts believe Bajaj Auto will continue to focus on product programmes, customer experience and branding. "In FY20, besides continuing this strategy, company will also launch new products in executive segment," analysts at Axis Capital said.

Bajaj Auto has had a good run as far as the mid and premium bikes are concerned. In the 200cc to 250cc space, the company commands a healthy 88% market share with products like Pulsar, Avenger and Ninja. Bikes like KTM and Dominar have helped the company hold a 43% market share in the 350-500cc category.

However, the entry level and under 125cc segment have been the loose ends, alongwith 250-350cc space, which is dominated by Royal Enfield with more than 95% market share.

In the near term, Bajaj wants to only focus on the former and does not want to experiment with the space where Royal Enfield has a lion's share. In the 125-150cc segment too, Bajaj Auto has a 52% market share with products like Discover and Pulsar but the company feels there is a need to further gain a stronghold in the segment, which could see all product launches.

Most of the new products are likely to start hitting roads from the second half of FY21 as the management believes demand won't improve in the near term on account of BS-VI norms from April 2020 which will see rise in prices. "After the festive season there is a natural slowdown in the sector for some time. Also, when the prices increase it affects demand. Till the time the customer digests the whole thing and accepts the new normal, it's anybody's guess if it takes six months or one year," Sharma said.



MILES TO GO

BSNL clears ₹1,700-cr dues to vendors; pays Nov salaries

FE BUREAU
New Delhi, December 30

STATE-RUN BSNL on Monday said that of the total ₹10,000 crore it owes to its various vendors and contractors, the company has been able to clear dues of around ₹1,700 crore. The company has also been able to pay its employees' salaries for the month of November.

"We have released ₹1,700 crore to our vendors and contractors for various dues through loans and internal accruals. Our overall outstanding is around ₹10,000 crore," BSNL chairman & managing director PK Purwar said.

He added that employee salaries for November have also been paid. "Salaries (for November) for employees have been released today (Monday) and the amount will be credited to their accounts by the end of Monday or Tuesday morning," he added. BSNL's salary bill is in the range of ₹800 crore per month.

When asked about the regular disbursal of salaries, he said it would 'take 3-4' months and more clarity would come after January 31 when the employees who have opted for the voluntary retirement scheme (VRS) complete their last day in office. After January 31, around 70,000 employees will be left in the organisation as 78,569 have opted for the scheme offered by the government.

Purwar had said that post-January 31, things would get streamlined and BSNL would have savings of around ₹600 crore per month during February and March, which means around ₹1,300-crore savings for this fiscal from just salaries.

BSNL would also raise ₹1,500 crore from the markets, the details of which would be finalised soon, Purwar said.

In October, the government had approved a ₹70,000-crore revival package for BSNL and MTNL which includes merging the two loss-making firms, monetising their assets and giving VRS to employees so that the combined entity turns profitable in two years.

Over the past few weeks both the companies launched their VRS plans and thousands of employees of BSNL and MTNL have opted for voluntary retirement, which is expected to save about ₹8,800 crore annually in salary bills for the debt-laden telecom companies.

We have released ₹1,700 crore to our vendors and contractors for various dues through loans and internal accruals. Our overall outstanding is around ₹10,000 crore

— PK PURWAR , CHAIRMAN & MANAGING DIRECTOR, BSNL

Govt to allocate spectrum for 5G trials; Huawei also on the list

FE BUREAU
New Delhi, December 30

THE DEPARTMENT OF telecommunications (DoT) has decided to allocate spectrum to all telecom operators and equipment makers for the upcoming 5G trials, including the Chinese vendor, Huawei.

"The age of 5G is coming and we are working together for this. We have taken a decision to give 5G spectrum for trial to all the players," telecom minister Ravi Shankar Prasad said at the sidelines of an event. When asked about the fate of Huawei, the minister said "all means definitely all".

Official sources said that all the telecom operators would conduct trials initially, which will be followed by the vendors independently in the second phase. The trials are expected to start from January 2020.

Huawei's participation in fifth generation mobile technology (5G) trials in India has been dragging on for the past several months over issues related to security and the Chinese company has also been facing global scrutiny over network security.

Earlier this year, while taking charge of DoT, Prasad had announced that 5G trials will start within 100 days, but the process slowed down on account of security issues concerning the world's largest telecom equipment maker.

In a statement from the chinese company, Huawei India CEO Jay Chen, "We have also read the news in media and we thank the Indian government for their continued faith in Huawei."

"We firmly believe that only technology innovations and high quality networks will be the key to rejuvenating the Indian telecom industry. We have our full confidence in the Modi government to drive 5G in India. We have our full confidence in Indian Government and industry to partner with best technology for India's own long term benefit and also for cross industry development. Huawei is always committed to India," he added.

Huawei already has presence in 35 of the 51 commercial 5G networks, globally including in countries like the UK, Norway, South Korea and Malaysia. It has also deployed 4G networks for Bharti Airtel and Vodafone Idea in India.

Besides Huawei, other telecom gearmakers, which will participate in the trials include Ericsson, Nokia and Samsung.

Besides Huawei, other telecom gearmakers, which will participate in the trials include Ericsson, Nokia and Samsung

AVIATION SECTOR

Without buyer, AI might be forced to shut down in six months: Official

PRESS TRUST OF INDIA
Mumbai, December 30

STRUGGLING AIR INDIA might be forced to shut down by June next year unless it finds a buyer as "piecemeal" arrangements cannot be sustained for long, according to a senior airline official.

Amid continuing uncertainty over the fate of the national carrier, the official said there was also need for funds to restart operations of 12 grounded narrow-body planes.

The airline has a debt burden of around ₹60,000 crore and the government is still working on the modalities for the disinvestment.

Sounding alarm bells, the official said Air India might well go Jet Airways way if a prospective buyer does not come on board by June next year. With government leaving the debt-ridden airline to fend for itself by refusing to inject funds any more amid its privatisation plans, the airline is "somehow" keeping it afloat with piecemeal arrangements, which are unlikely to sustain for long, the official said. According to the government, it has infused funds to the tune of ₹30,520.21 crore in the flag carrier from FY12 till December this year.

Under the turnaround plan approved by the United Progressive Alliance (UPA) regime in 2012, the airline was to get financial assistance of ₹30,000 crore over a 10-year period.

"We had sought ₹2,400-crore sovereign guarantee to mop up funds for meeting operational requirement. But the government has provided guarantee only for Rs 500 crore. We are somehow managing the operations at present and at best we can sustain this situation till June. If a buyer does not come by that time, we will have to shut shop," said the official on condition of anonymity.

After more than 25 years of flying, full service carrier Jet Airways shuttered operations in April due to cash crunch.

In 2018-19, Air India's net loss is provisionally estimated to be ₹8,556.35 crore. Besides, it has a total debt of ₹60,000 crore, half of which has already taken out of the books and parked in the special purpose vehicle, Air India Asset Holding Ltd. Air India spokesperson was not available for comments.

The Air India Specific Alternative Mechanism (AISAM) has approved re-initiation of process for the government's 100% stake sale in Air India along with Air India Express and the carrier's stake in joint venture AISATS. The government is likely to issue Expression of Interest for the stake sale in the fourth quarter of the fiscal.

Aviation minister hands over first DGCA-issued licence to ATC personnel

CIVIL AVIATION MINISTER Hardeep Singh Puri on Monday handed over the first licence issued by the aviation regulator DGCA to Air Traffic Control (ATC) personnel in the country.

Till date, the licence to ATC personnel was being given by the Airports Authority of India (AAI) itself.

After an audit of Indian aviation sector was conducted by safety branch of the International Civil Aviation Organisation (ICAO) in November 2017, it had recommended that the DGCA should maintain oversight over the functions of ATC and its personnel, who work for AAI.

Therefore, the ministry of civil aviation had directed the Director General of Civil Aviation (DGCA) to start issuing licences and rating to ATC personnel of AAI.

Till December 27 this year, total 2,264 ATC personnel across the country got their licences issued by the DGCA, according to an AAI press release.

In a symbolic ceremony on Monday evening, Civil Aviation Minister Puri handed over licences to two ATC personnel - Malkeet Singh and Payal Yadav - in the presence of DGCA chief Arun Kumar, Civil Aviation Secretary Pradeep Singh Kharola and other senior officials.

Malkeet Singh is the first ATP personnel to get a DGCA-issued licence.

Around 2,400 ATC personnel had applied for licences since the DGCA had started the process after 2017 ICAO recommendation. —PTI

Rural India will fuel India's e-commerce play: Experts

ASMITA DEY
New Delhi, December 30

REARVIEW

AIDED BY PROLIFERATION of cheap smartphones and a burgeoning young population which is increasingly taking to convenience, the domestic e-commerce sector is sure making headway — from $16-17 billion in 2014, the market has currently grown close to $30 billion, according to analyst estimates.

However, it is nowhere near $100 billion as predicted by analysts five years ago. A 2016 KPMG report had estimated the e-commerce industry to touch $103 billion by 2020. To give perspective — e-tail comprises lion's share of the total e-commerce sector but a mere 3% Indians shop online, according to a RedSeer Consulting report released last year.

Flipkart and Amazon that jointly hold close to 80% of the e-tail segment posted accumulated losses (the firms' marketplace entities) of over ₹7,300 crore in the year to March 2019. Grofers which leads the online grocery space along with BigBasket reported losses of ₹448 crore in FY19 on revenues of a mere ₹70.14 crore.

In the fintech space, Paytm's losses ballooned to nearly ₹4,000 crore in FY19 compared to losses of close to ₹1,500 crore in the year-ago period. SoftBank-backed Oyo's valuation report revealed that its losses increased to ₹2,384.69 crore last financial year, against ₹360.43 crore in FY18. Cumulative losses of the companies (including BigBasket's retail unit) stood at ₹14,450.4 crore in FY19.

In October, ShopClues announced its merger with Singapore-based e-commerce platform Qoo10. Founded in July 2011, the company had managed to raise only $255.9 million in funding. Nonetheless, investors do not mind pouring cash in a market, vast swathes of which remain untapped. The government's move to withdraw high-currency notes in 2016 set the pitch for digital boom in the country.

The year 2018 saw one of the biggest deals in the e-commerce space — Walmart's purchase of a controlling stake in Flipkart for a staggering $16 billion that valued the Bengaluru-based firm at $21 billion. Naspers led a $1-billion funding in Swiggy in December 2018, that valued the firm at an estimated $3.3 billion. SoftBank Vision Fund (SVF) infused $800 million into Oyo, leading its fresh $1-billion financing round.

In 2018, e-commerce and consumer internet companies raised over $7 billion in private equity/venture capital (PE/VC) (including venture debt), spread over close to 200 deals of which $5.9 billion comprised early stage capital while $1.3 billion was invested as expansion capital, according to a 2019 EY report. The B2C sector recorded 197 PE/VC investment deals during 2013-2018 amounting to $9.8 billion, the report showed. B2C sector accounts for almost a third of all investments in the e-commerce sector, analysts reckon.

Earlier this year, a $150-million cheque handed to BigBasket by Mirae Asset, CDC Group and existing backer Alibaba shot up its valuation to an estimated $2.3 billion, fetching it the status of a unicorn. Gurgaon-based logistics firm Delhivery was the other firm to turn unicorn after notching a $413-million funding led by SoftBank in March. In the ed-tech space, Byju's saw its valuation swell to over $5 billion following $150-million funding led by Qatar Investment Authority (QIA) in July.

The pack, however, was led by Paytm that bagged the largest fundraise of the year — $1 billion from T. Rowe Price, along side existing backers SoftBank and Ant Financial, valuing the start-up at $16 billion. The Noida-based company added it up with another ₹4,724.42 crore in fresh funding led by Alipay.

Experts believe going ahead, 'Bharat' will fuel India's e-commerce play. The number of internet users using local languages is expected to reach 536 million by 2021, exceeding the number of internet users using English, according to analysts.

Companies are pulling out all stops to woo Bharat — Flipkart has introduced an app in Hindi language and has added about 800 cities in the last two quarters to give adequate presentation to sellers from untapped areas like Katihar, Karimganj and Jharkhand. The company said number of transacting customers from tier-II cities and beyond have doubled over last year on the first day of its festive sale this year. Amazon said it saw the single-largest day of Prime membership sign-ups, with 66% Prime members coming from tier-II and -III cities.

Analysts at EY estimate the e-commerce sector to touch $200 billion by 2027.

STAKE SALE

RIL, BP pay $36 m for exit of Niko in KG-D6 block

PRESS TRUST OF INDIA
New Delhi, December 30

RELIANCE INDUSTRIES AND the UK's BP paid $36 million to get their defaulting Canadian partner Niko Resources to exit from the eastern offshore KG-D6 block.

In a statement, Niko said it has exited from the KG-DWN-98/3 block and its 10% stake has been taken over by Reliance and BP.

The firm was paid $36 million to settle an arbitration it had initiated against Reliance and BP trying to force it out of the block over default in payment.

"An amendment to the production sharing contract for the D6 Block in India has been executed, reflecting the assignment of the 10% interest previously held by the company's indirect subsidiary, Niko (NECO) to the remaining interest holders in the block, Reliance Industries and BP Exploration (Alpha)," the statement said.

Subsequent to this, Reliance's stake in KG-D6 has gone up to 66.67% from the previous 60% and that of BP to 33.33% from 30%.

"Niko NECO had entered into a settlement agreement with Reliance and BPEAL under which it agreed to withdraw from D6 PSC and settle its arbitration case filed under the rules of the London Court of International Arbitration in December 2017 in exchange for a settlement amount of $36 million, subject to adjustment prior to closing," it said.

The settlement agreement is subject to certain conditions precedent including the execution of the amendment to the D6 PSC, it said, adding that the $36 million will go lenders to settle a part of the debt.

Niko, which defaulted on payment of loans to its lenders, had been unsuccessful in seeking a possible buyer for its 10% stake in Bay of Bengal block KG-D6 or securing financing for its share of the $5 billion R-Cluster, Satellite Cluster and MJ development projects in the block.

This led to the company defaulting in making payments for its share of development cost.

Reliance, being the operator of KG-D6 block, slapped a default notice on Niko soon after.

Under the terms of the joint operating agreement (JOA) between the participating interest holders in the KG-D6 production sharing contract (PSC), during the continuance of a default, the defaulting party shall not have a right to its share of revenue (which shall vest in and be the property of the non-defaulting parties who have paid to cover the amount in default).

In addition, if the defaulting party does not cure a default within 60 days of the default notice, the non-defaulting parties have the option to require the defaulting party to withdraw from the KG-D6 PSC and JOA.

In December 2018, Reliance and BP sent Niko a notice asking it to withdraw from KG-D6. Parallelly, they approached the sector regulator the Directorate General of Hydrocarbons (DGH) and the oil ministry for approval to take over Niko's share.

To stall the takeover, Niko filed a notice of arbitration challenging the withdrawal notice.

Niko had previously withdrawn from the eastern offshore NEC-25 block due to cash crunch. Its 10% interest was assigned to Reliance and BP. Subsequent to that, Reliance now holds 66.6% interest in NEC-25 and BP the remaining 33.37%.

Reliance and BP are investing $5 billion to bring to production three sets of new discoveries in the KG-D6 block. R-Series will be the first to start output in mid-2020 with about 5 million standard cubic metres of daily production. The peak from R-Series is expected at 12 million standard cubic metres per day (mmscmd).

Satellite fields in the same block will go live a year later and are expected to contribute a peak output of 7 mmscmd. MJ field will start production in second half of 2022 with peak production of about 12 mmscmd.

Reliance has so far made 19 gas discoveries in the Bay of Bengal block. Of these, Dhirubhai-1 and 3 (D1 & D3) — the largest among the lot — were brought to production from April 2009 and MA, the only oilfield in the block was put to production in September 2008.

The output from D1 and D3 has dwindled to just 1.7 mmscmd after touching a peak of 54 mmscmd in 2010. MA ceased to produce last year.

Vodafone Idea mobile customer base drops by 3.63 crore in November

PRESS TRUST OF INDIA
New Delhi, December 30

VODAFONE IDEA'S MOBILE consumer base declined by around 3.63 crore to 33.63 crore in November, according to a source.

The telecom operator had reported an increase of 1.89 lakh mobile customers on its network in October.

"Vodafone Idea HLR (home location register) subscriber in October were 37,26,76,689.

"In November, it has come down to 33,63,57,324.

"There is a difference of 3,63,19,365 as per the company report submitted to Trai," the source told PTI.

However, Vodafone Idea declined to comment on this information.

The source said the company keeps deleting inactive subscribers and the reduction is the result of the same.

"The company has reduced time period of recording active subscriber from 120 days to 90 days.

"Had it been the same period, the reduced number would have come at the end of December," the source said.

Vodafone Idea and Bharti Airtel had raised call and data charges by up to 50% from December 3 onwards.

Govt ropes in Flipkart for sale of products made by women SHGs

PRESS TRUST OF INDIA
New Delhi, December 30

PRODUCTS MADE BY women self-help groups formed under the DAY-NULM will now be available on e-commerce platforms as the government on Monday signed an MoU with Flipkart in this regard.

Union housing and urban affairs secretary Durga Shanker Mishra said the government would also rope in Amazon to provide a platform for the online sale of SHGs' products.

Under the Deendayal Antyodaya Yojana-National Urban Livelihoods Mission (DAY-NULM), self-help groups consisting 44 lakh women have been working across the country, a move aimed at making women financially independent.

"Today, we have signed an MoU with Flipkart. It aims to directly sell products made by self-help groups through e-commerce portals. We are also likely to ink an MoU with Amazon on January 7 for the same purpose," Mishra told reporters on the sidelines of an event.

According to the secretary, 12 lakh people have so far been trained in different skills in the last five years under the mission while around 5.06 lakh people were given funds by the government and they are currently self-employed.

Shelters have been set up for nearly one lakh people and about 12 lakh street vendors have been identified under the DAY-NULM, Mishra said.

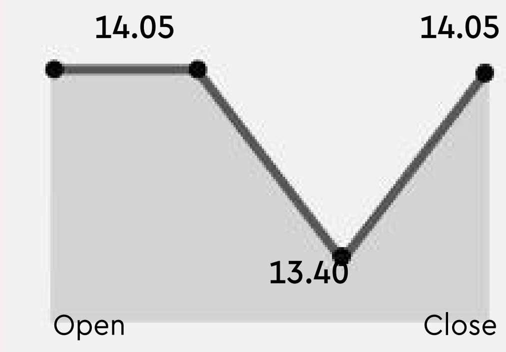
In every city, the government will also set up a 'City Livelihood Centre' through which people will be able to avail the service of plumbers, electricians and mechanics, among others, he said.

Street Signs

Reliance Capital

Scrip up as IRDAI cancels pledge enforcement of Rel General Insurance shares

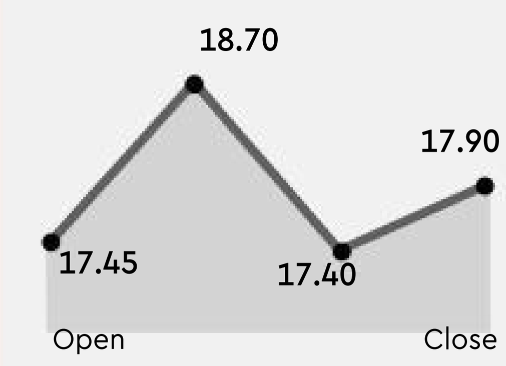
4.85%



Oricon Enterprises

Shares surge on term loan prepayment

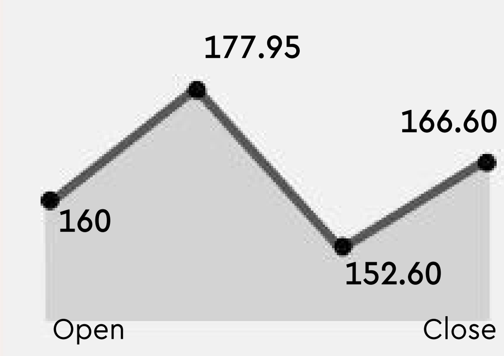
4.99%



Prince Pipes & Fittings

Stock closes at ₹166.60 in debut trading after a volatile day

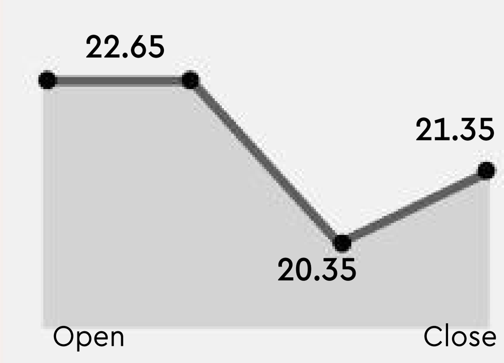
6.40%



Punjab & Sind Bank

Shares fall after CARE revises rating outlook to negative from stable

5.74%



EESL inks pact with HPCL to set up charging infra

PRESS TRUST OF INDIA
Mumbai, December 30

STATE-OWNED ENERGY Efficiency Services on Monday said it has signed memorandum of understanding with Hindustan Petroleum Corporation for setting up charging infrastructure to boost electric mobility.

As a part of the national electric mobility programme, Energy Efficiency Services (EESL), a joint venture of four national public sector enterprises under the ministry of power, and HPCL have entered into a two-year MoU to set up public charging infrastructure across the country, the company said in a statement.

The MoU covers collaboration for planning, development and installation of charging facilities at suitable locations for two, three, and four-wheeler vehicles.

"With the installation of public charging stations, the range anxiety of EV owners is expected to reduce, which will increase the adoption of electric mobility. This will also bring down automobiles emissions, enabling cleaner and greener environment, in turn, safeguarding public from health risks," the company said.

Commenting on the partnership, EESL managing director Saurabh Kumar said that this tie-up will address the range anxiety concerns that EV-adopters may have.

"Increased access to charging infrastructure is vital for the uptake of electric mobility across the entire EV ecosystem of two, three, and four-wheelers. Our partnership with HPCL will also establish more visibility of charging infrastructure, sending a signal to the general public that India's electric mobility vision is being realised in full potential," he added.

Irdai levies ₹3 crore penalty on Maruti Insurance Brokers

PRESS TRUST OF INDIA
New Delhi, December 30

IRDAI HAS IMPOSED a penalty of ₹3 crore on Maruti Insurance Brokers (MIBL), the largest insurance broker in the country, for violation of various regulatory norms.

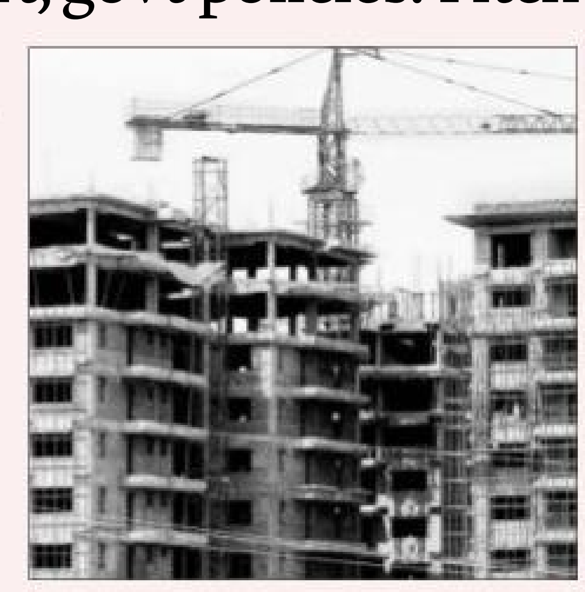
The Insurance Regulatory and Development Authority of India (Irdai) has found the MIBL violating Motor Insurance Service Provider (MISP) guidelines on various counts, including the one related to empanelment of general insurers.

"It (MIBL) carries in its name, the name of the largest and the most popular car manufacturer in the country, that is associated with quality and reliability," said the Irdai order.

"Therefore, as the leader in the direct insurance broking segment, MIBL is the role model of insurance broking, which other broking companies seek to emulate, it said, and added that this places tremendous responsibility on MIBL as it is held as the torch bearer of the broking profession.

Buildings sector to expand by 6.6% next year on fiscal support, govt policies: Fitch

PRESS TRUST OF INDIA
New Delhi, December 30



FITCH SOLUTIONS ON Monday said it expects the country's residential and non-residential buildings sector to expand by 6.6%, in real terms, next year, driven by fiscal support and a continued focus on the provision of affordable housing in urban areas.

"Short-term expansion of India's building sector will be driven by a mixture of fiscal support and government policies supporting the housing market, as well as heightened activity within the logistics, retail and industrial buildings sectors," it said in a statement.

Long-term growth, on the other hand, will mainly be driven by country's massive population, which requires continued investments into residential building construction sector, the statement said.

Instances of stalled housing projects have been on the rise over the course of 2019, due to a credit crunch sparked by a series of defaults by non-bank financial companies, resulting in a decreased access to funding for both developers and homebuyers.

In response, the governmet "approved a ₹10,000 crore package in November 2019 aimed to aid stalled housing projects, with an additional ₹15,000 crore to be contributed by state-run financial institutions."

With funds more readily available, it expects a portion of stalled housing projects to resume construction, and this will feed into its forecasts for India's buildings sector growth in the short term.

Opportunities in the construction of affordable housing units will remain strong over the coming years, driven by Prime Minister Narendra Modi's Pradhan Mantri Awas Yojana (Urban) initiative.

Quick View

NHPC board okays proposal to raise ₹2,000 cr this fiscal

STATE-RUN HYDRO power giant NHPC on Monday said that its board has approved a proposal to raise ₹2,000 crore through various instruments. "The Board of Directors of NHPC in its meeting held on December 30, 2019 has approved the proposal for raising of debt up to ₹2,000 crore during 2019-20 through issuance of secured, redeemable, taxable, non-cumulative, non-convertible taxable Corporate Bonds in one or more series/tranches on private placement basis and/or raising of Term loans/External Commercial Borrowings (ECB) in suitable tranches," a BSE filing said.

Chalet Hotels, Marriott Intl strengthen pact

CHALET HOTELS ON Monday said it has entered into five new agreements with global hospitality major Marriott International extending their collaboration further. Under the pacts, the company would build hotels and extend contracts across brands such as 'W', 'Westin' and 'Marriott Executive Apartment' in Hyderabad and Mumbai, Chalet Hotels said in a filing to the BSE.

12 cos to list commercial papers on BSE

AS MANY AS 12 companies have filed applications with the BSE to list their commercial papers on the bourse for a total issue size of ₹8,215 crore, the exchange said on Monday. The firms that have made applications are SBI Cards and Payment Services, Birla Group Holdings, National Housing Bank, Aditya Birla Capital, Larsen & Toubro, SBI Cards and Payment Services, BASF India, The Ramco Cements, Aarti Industries, HT Media, GIC Housing Finance and Himadri Speciality Chemical.

Inox Wind, Continuum Power Trading sign pact

INOX WIND ON Monday said that it has entered into an agreement with Continuum Power Trading (TN) to supply, erect and commission 250 MW wind power projects in Gujarat.

Revival of private investments in highway construction holds key in 2020

SURYA SARATHI RAY
New Delhi, December 30

REARVIEW

REVIVING THE INTEREST of private-sector developers to take up highway projects and prodding financial institutions to augment lending to the sector would be the two key challenges before the ministry of road transport and highways (MoRTH) in 2020. In 2019, not a single project could be awarded through the hybrid annuity model (HAM) and project awards through the build-operate-transfer (BOT) were last made more than two years ago. As a result, there is a huge reliance on fully government-funded engineering, procurement and construction (EPC) route for project awards, and this being a burden on the exchequer, is not sustainable.

Yet, through the EPC route, MoRTH and its implementing agencies — National Highways Authority of India, National Highways and Infrastructure Development Corporation (NHIDCL) — have awarded more lane kilometres in the first seven months of current fiscal, but sectoral watchers say as fund-crunch looms large, the 34,800 km highway building target by 2024-25 would remain a far cry, if the reliance rests only on the EPC mode.

MoRTH and NHIDCL mainly award projects through the EPC route; but HAM remained the most preferred model for NHAI. Under HAM, developers get 40% of the project cost upfront from the NHAI and remaining 60% over a period of 15 years. It allows private investors to have very little skin in the game — sub-10% practically. In the BOT-Toll model, the developer collects tolls to recoup investments and therefore, bears real business risk.

HAM came into being in 2015-16. Eight projects, measuring 343 km, were awarded in the first year, followed by 2,059 km in 2016-17. Project awards through HAM reached its peak in 2017-18 at 3,236 km.

With awards under the HAM falling to 834 km in 2018-19, the writing on the wall was crystal clear; but instead of attempting to plug the loopholes, the road ministry was busy concentrating, ahead of the general election, on improving its tally on construction. The inevitable has happened. It is a different matter that the NHAI still hopes to make around 1,500 km project awards through HAM till March, 2020.

Problems with the HAM are aplenty: increased risk aversion among a pool of investors that has anyway been limited, lenders' wariness, reduced appetite of the private players, issues related to last-mile land acquisition and cash flow problems of operational projects are just to name a few.

"The last six months in the run-up to election was more big-ticket project awards through the EPC routes like the Delhi-Mumbai project. Three months' hiatus of the general election and 4-5 months after that saw a complete pause in operations of NHAI, but now it is expected that project awards through HAM, EPC will gain momentum," said Vinayak Chatterjee, Chairman, Feedback Infra.

The possibility of a higher budgetary allocation for the highway sector could be safely ruled out. Only in October, the finance ministry has ruled out, citing paucity of funds, MoRTH's demand for an additional ₹43,000 crore fund for awards and development of highway projects for the current fiscal.

Of the requisitioned ₹43,000 crore, MoRTH wanted to allocate ₹24,000 crore to its wing National Highways Authority of India (NHAI), which was given a paltry sum of ₹36,691 crore in the Budget; and wanted to spend another ₹17,000 crore to fund highway projects it develop through state public works departments on all-cash engineering procurement and construction (EPC) route. The remaining is for other heads.

In the Budget for 2019-20, MoRTH was allocated ₹83,015.97 crore, up from ₹78,625.50 crore in the 2018-19 fiscal and ₹61,014.76 crore in the 2017-18 fiscal. Of the total budgetary support for the current fiscal, MoRTH has already spent ₹51,797.65 crore or 62% as on September-end, as per controller general of accounts.

Burdened with an ever-increasing highway development target — 40 km for the current fiscal from 12 km in 2014-15 — MoRTH has requested the Niramala Sitharaman-led finance ministry to raise the budgetary allocation for the current fiscal to ₹1,26,000 crore. The additional fund, it argued, was required to enhance the highway development pace.

Sitting on a ₹1.8 lakh crore debt, as on March-end, NHAI's debt-servicing obligation is also on the rise. In the current fiscal, it has ₹5,573 crore debt-servicing obligation, ₹6,600 crore in FY21 and ₹4,700 crore in FY23. On top of that, it has to pay around ₹15,000 crore interest annually for its outstanding debt.

At present, around 35% of NHAI's annual expenditure goes into construction of national highways, 30% into acquisition of land, 16% in extending grant for projects under HAM, 15% in debt servicing and the remaining 4% into payment of annuity.

The government has approved multiple fund-raising routes for the NHAI that includes exercising options like launch of an infrastructure investment trust (InvIT) and securitisation of toll receipts. NHAI has successfully raised over ₹11,000 crore through the toll-operate-transfer (ToT) mode under which government-funded projects are given on long-term lease to patient capitals. A fourth lot is also out for bidding.

Opinion

TUESDAY, DECEMBER 31, 2019

KILL BILL

Chief minister of West Bengal Mamata Banerjee

BJP is planning to take away citizenship of legal citizens. I would appeal to everybody to join hands against the BJP and isolate them everywhere... I will not stop my protest till the CAA is withdrawn

For better data, empower the statistical system

New panel on economic data a positive, but unless NSC has a lot more power, it is not clear if this is going to help

GIVEN HOW CREDIBLE data is critical for taking any policy decision, and how India's economic data has increasingly been coming under a cloud, it is just as well that the government is trying to fix things; by way of example, if the government had known that nominal GDP was going to grow at 7-8%, as it is now, it would never have guaranteed a 14% growth in GST revenues for states. It is in this context that the government has constituted a 28-member Standing Committee on Economic Statistics (SCES) headed by India's first Chief Statistician, Pronab Sen, to review key data on the economy and work on developing survey methodology etc, to ensure data quality is top-class. To the government's credit, it hasn't let Sen's criticism of it—he was one of the 108 academics who signed a joint statement on political interference in India's statistical system—affect its decision; indeed, the panel, which is to include representatives from the UN, RBI, NITI Aayog, two industry chambers, and Tata Trust (it is not clear why they are a part of this panel), also has some other academics who signed the statement against the government.

Since the government has, at the same time, also put out a draft bill to establish the National Statistical Commission (NSC) as the nodal and autonomous body for all core statistical activities for the country—the current NSC was set up as an interim measure in June 2005—it is not clear why the panel has been set up. After all, the NSC's job is also defined as roughly the same, "to evolve, monitor and enforce statistical priorities and standards and to ensure statistical coordination". Possibly, though this needs to be clarified at the earliest, the SCES will come up with a methodology to collect data which the NSC—since it is a regulatory body—will evaluate and, within the NSC system, there is to be an Auditor whose job will be to, from time to time, evaluate the quality of the data.

What is problematic is the manner in which the NSC is to be set up. Any body that deals with government organisations—to collect data or to authorise its release—needs to be an arm of the government, with its head given a suitable government rank, like a minister of state. The draft NSC Bill, however, doesn't specify this, though it is possible the NSC Chairman will be suitably empowered since the Secretary to NSC is to hold the rank of a Secretary to the Government of India; but, establishing the NSC as a corporate body will probably undermine its status within the government system. The Bill gives the central government the power to issue directions "in the interest of the sovereignty and integrity of India, the security of the State, friendly relations with foreign States, public order, decency or morality"; how do sovereignty and integrity, public order, decency, etc, come into the NSC's functioning? It doesn't help that the Bill goes on to add, "the Commission shall, as far as practicable, be given an opportunity to express its views before any direction is given". Equally worrying is the sweeping power given in relation to statistics collected by private bodies. If the NSC feels this is in the public interest, "it may order for statistical audit" of the data and the private body "shall make available for inspection and examination, such records, plans, other documents and data, as may be necessary". Apart from it not being clear why the NSC or any government body should have sweeping rights over the private sector, keep in mind the run-ins between the government and, for instance, CMIE on the latter's capex database; this can now be extended to other private sector indices like, say, the PMI. None of this, sadly, is designed to increase the credibility of the official statistical system or establish its distance from the government.

Why is govt killing UPI?

If UPI is free, banks/vendors have no incentive to push it

EVEN CRITICS OF the government's demonetisation decision will agree that the way it pushed digital payments has been remarkable. To begin with, the government agreed to bear a large part of the costs of digital transactions—at petrol pumps, for instance, the merchant discount rate (MDR, or commission) on debit and credit cards was absorbed by the PSU oil companies—and, simultaneously, it worked to popularise UPI, which was developed by RBI's National Payments Corporation of India (NPCI) for payments using the mobile phone. While UPI started in August 2016, with 21 banks on-board, it was 61 banks a year after demonetisation, and is up to 143 banks today. In January this year, barely 29 months after its launch, at ₹109,932 crore for the month, UPI transactions were higher than the total usage of both debit and credit cards at merchant outlets; at ₹191,359 crore in October 2019, the value of transactions was a third more than that for cards. It is true that just 30% of these UPI payments are P2M transactions of the type that debit/credit cards are, but the ramp-up in volumes/value is a huge achievement.

The ramp-up was both due to the open architecture of UPI—this allowed PayTM, Google Pay, PhonePe to use it effectively—as well as the fact that NPCI kept innovating to make UPI more attractive, and worked to create UPI QRs that made it universally acceptable in the manner debit/credit cards are, or a PayTM is, with its impressive reach among merchants especially across north India; indeed, it is not just PayTM, others like Google Pay also have very attractive merchant on-boarding schemes. A large part of the credit also has to go to the government for trying to lower MDR charges for digital transactions.

Lowering MDR, however, is a double-edged sword and, so, needs to be used with caution. A lower—or a zero—MDR will clearly draw many towards digital payments, but if you lower it too much, it also takes away the bank's incentive to roll it out or that of the payments firms—like PhonePe or PayTM—to innovate further. That, however, is precisely what the government has done, and earlier this week, the government decided that from January 1, there will be no MDR on either RuPay (there are 500 mn RuPay cards today) or UPI. While insisting that all firms with a turnover of more than ₹50 crore have to offer an RuPay/UPI facility for customers will help push digitisation, there is no incentive to push RuPay/UPI any more. And, given that UPI MDR were so low—just 30 bps—it is not as if this was a deterrent to its use. In any case, to the extent it was for very low-value transactions, it would be better if the government paid for this; after all, more digital transactions means there are more people who will come into the formal economy—and pay taxes—and, it also means that both RBI and government-owned banks spend less money in managing the printing and circulation of cash. As in the case of price controls in so many areas, like medicines, the government's plan to cut/finish profits will also deal a big blow to the industry.

NutritionGAP

POSHAN Abhiyaan suffering from deficient spending of allocated funds by the states

UNION WOMEN AND child development minister Smriti Irani recently told Parliament that, of the ₹4,283 crore disbursed for the POSHAN Abhiyaan scheme, only ₹1,283.89 crore had been utilised until October 31, 2019—a mere 30% of the total disbursements since 2017. The non-utilisation of the funds casts a cloud on India achieving the Sustainable Development Goal on ending hunger—the scheme aims to bring down stunting in children to 25% by 2022, from 35% currently, while it is currently reducing at 1% per year.

The total budgetary allocation for the scheme was ₹9,046.17 crore, of which 50% was brought in through support from World Bank and other multilateral agencies. The rest is divided 60:40 between the Centre and the states, 100% for UTs without legislatures, and 90:10 for states in the north-eastern and Himalayan region—Mizoram (65.12%), Lakshadweep (61.08%), Bihar (55.17%), Himachal Pradesh (53.29%), and Meghalaya (48.37%) were the top-five fund utilisers. The lowest was Punjab (0.45%) followed by Karnataka (8.75%), and Kerala (8.75%). Though, this is only a partial picture since a Bihar that has high utilisation still has one of the highest disease burdens from child and maternal malnutrition, as estimated by the Indian Council for Medical Research. The Global Hunger Index (GHI) ranked India 102nd, and the Comprehensive National Nutrition Survey (CNNS) showed 35% of under-five children in the country are stunted and 33% underweight. Such high levels of malnutrition undermine India's growth potential, with lasting consequences for healthcare outgo. A study led by Harvard researcher Akshay Swaminathan shows that there are severe intra-state disparities in levels of malnutrition. This means POSHAN funds have to be directed based on local needs, and implementation has to be tailored accordingly. With time running out to meet POSHAN goals, and, indeed, the SDG on ending hunger, states must get the implementation right.

CARRY OVER

EXTREME MOOD SWING IN 2019, FROM THE EXPECTATION OF A SHARP RECOVERY TO DOUBTS ABOUT THE POTENTIAL FOR ONE, HAS GIVEN WAY TO PESSIMISM, CLOUDING THE 2020 OUTLOOK

High expectations and low sentiments

RENU KOHLI

New Delhi based macroeconomist

Views are personal

THE YEAR 2019 was a general election year. The people re-elected prime minister Modi and his government with a bigger mandate, and high expectations. Post victory, the PM gauged the nation's mood, and announced the grand objective of achieving a $5 trillion economy by FY25. The announcement soon appeared hollow; there was no strategy or medium-term framework that looked credible! The FY20 budget must go down in history as the least impressive budget in response to a weak economy. The fault lines of the economy that had opened up much before the election became much deeper and widened in the second half of the year. The mood swing was extreme, bordering on desperation!

2019 was one those rare, exceptional years in which all growth projections for India went haywire. Fellow tribes began with describing the slowdown as mostly cyclical; then, largely cyclical with some structural elements; and finally, as mostly structural with some cyclical components! Naturally, their expectation was a sharp recovery, which turned into a staggered and prolonged one, and, towards the end of the year, shifted to doubts about potential.

It certainly was not the first time that growth forecasts were scaled down by 200-300 basis points. The extreme mood swing in 2019, on the heels of an overwhelmingly desirable political outcome in May and only the third-steepest fall in RBI's business and consumer confidence survey history (past two were prompted by major global events), can hardly be attributed to these. Rather, it was the lack of policy window to respond, to boost demand, that caused consumer and business sentiments to tumble down. This hangover carries over into the next year, clouding the 2020 outlook.

The depression in mood is larger than, and beyond the growth pessimism that grew progressively in 2019. Remember, the 75 bps quarterly GDP decline in Jan-March 2019 was ascribed to election uncertainties, spending restrictions; activities were expected to resume post-elections. This did not materialise. Instead, real GDP dropped 82 basis points more quarter-on-quarter in April-June. Recovery expectations were cautiously forwarded to the next, festival quarter. But, growth decelerated a further 0.47 points to 4.5% in July-September. Reality then hit hard, and FY20 forecasts were lowered to a sobering sub-5%. Cynicism about achieving 6-7% growth set in. Even the expected uplift to 6% next year now seems to lack conviction. Some consider it unrealistic to expect anything above 5-5.5%. The ubiquitous optimism about returning to the 7% track is replaced by doubts. There is growing reinforcement that India will grow slower in the next decade than the one ending. It would not be surprising if 2019 became the year in which strongly held beliefs about India's growth changed.

The swing in consumer and business sentiments preceded the cooling embers of growth optimism. It is the collective overhang of a confluence of past policy actions and inactions, solutions that worsened problems in some cases, and a few missteps.

The heightened vulnerabilities in the financial sector in 2019, for example, are an outcome of the problem-handling over the last few years. The NBFC crisis surfaced in late-2018. The government's steadfast assessment was it was a liquidity problem. Problems festered, carried over into 2019, when these magnified and shook confidence, with occasional defaults that uncovered risky exposures, especially in real estate, opacity, and the lack of promoter equity, amongst other issues. Counterparty suspicion deepened; mistrust rose high. Later measures to unblock and ease bank lending, facilitate takeover of NBFC assets have had marginal impact in de-stressing, failed to restore confidence; the trust gap between financial entities widened and persists. Specific, quick action to reveal asset exposures and qualities could have limited the confidence fall, prevented its morphing into a persistent trust deficit.

The NBFC crisis layered over the existing dearth of confidence and risk-aversion in banks, where elevated NPAs stretched too long. Solutions were delayed, capital support measly and reluctant, leading to stress persistence, and deferred recovery. Cultivated perceptions that all bad assets were wilful, or politically influenced, and targeting bankers for past credit decisions triggered fear, and a lending standstill. Nonbanks raced to fill the lending gap, which was appreciated by authorities, but eventually proved disastrous as excesses built up towards ultimate collapse. One of the most detrimental outcomes of letting high NPAs fester on bank balance sheets has been the blocking of monetary transmission, which hurt the economy and pulled down expectations about monetary policy's effectiveness.

> **The fault lines of the economy that had opened up much before the election became deeper and widened in the second half of the year**

Inaction elsewhere undermined confidence too, e.g., the power sector, in which invested capital has remained blocked. The real estate crisis festers from inappropriate responses, i.e., continued financial support from nonbanks prevented price corrections and market-clearing of inventories while new, tighter regulations exacerbated stress with their timing. Jerky, hasty regulatory changes, where spin-off effects were not pre-thought, also impacted self-assurance in few segments as these amplified a negative growth spiral, e.g., the auto sector. Tax terrorism entered the public policy lexicon some years ago, and has been another depressant. In 2019, the government attempted to make the tax regime friendlier. Unfortunately, however, fear is not easy to dispel, and confidence takes long to return in such matters.

A remarkable attitudinal shift occurred towards GST in 2019 as views turned to speculate if it has already failed or is on course to be a failure. The adverse beliefs about a desired structural reform, from which hopes of revenue and productivity gains were high, built up over time as implementation was botched-up, and design complexities and high compliance costs were exposed, eroding faith in capabilities. Two years after its introduction, it is telling that calls for GST overhaul, and occasionally-reported recommendations to rationalise rates and simplify the mechanism remain unaddressed. It is a loss of confidence when positive hopes turn into that of failure.

Beliefs about the effectiveness of policies, and, perhaps, their appropriateness, evidently snowballed over time, towards a collective swing in mood in 2019. FY20 budget's failure to respond to glaring economic weakness was yet another misstep, proved by the subsequent rollback of unpleasant tax proposals. Then too, the stimulation, e.g., corporate tax cuts, was not backed by a revenue-enhancement plan, provoking further doubts; continued silence on this has affected market sentiments. A quarter after the lowered tax regime for manufacturing units, there are no reports of new investment proposals, testifying to how low sentiments sunk.

It is remarkable how adverse sentiments turned around popular perceptions of low inflation, which was considered an achievement and success of inflation targeting and supply-management policies so far. In 2019, it got ascribed to policy overdrive seeing the weakening effects of low food prices upon rural incomes, consumption, and aggregate demand. Its impact upon nominal GDP, and, hence, most fiscal parameters, the resulting resource constraints, and squeezing of policy room at a time of sore need of countercyclical support further supported the changed views on low inflation.

The general loss of confidence, accumulated over time, hangs as the darkest cloud on the horizon. Restoring confidence is crucial for the economy in 2020.

The year tech unicorns became donkeys

While investing, investors should consider the borderless nature of digital businesses, and the issues each country

BHASKAR CHAKRAVORTI

Bloomberg

2019 MAY BE remembered as the year so many unicorns turned into donkeys. After its IPO, Uber fell from the stratospheric valuation it commanded as a private company. So did its prime competitor, Lyft—together, they have shed more than $40 bn in value since going public. Even more spectacularly, WeWork lost $40 bn in value before its IPO. African e-commerce darling, Jumia, rode into public markets on high expectations, but lost half its value within six months.

In 2020, many other high-profile companies are expected to go public—Airbnb, Gitlab and Didi Chuxing, to name only three. The debacles of 2019 carry two simple lessons for investors and analysts: first, as many have argued, do the hard work of valuing a company the old-fashioned way, and second, far more overlooked, adjust a start-up's value according to its realistic global reach. Given the borderless nature of most digital unicorns, it is important to remember that doing business—especially digital business—in one country is very different from doing business in another.

Too many investors draw too heavily on American experiences and expectations when evaluating digital companies. Although such companies create products that can cross national borders at the speed of light, their ability to capture value is only as fast as the speed of a country's politics, regulations, infrastructure and consumer attitudes. Uber is in 85 countries, WeWork is in 37 and Airbnb is in a whopping 191. Each one is different. The valuation rules of thumb analysts are taught simply aren't enough to aggregate across this degree of geographic heterogeneity.

Consider the Indian market. On paper, it is large, with 293 million active internet users in India's cities alone. Yet there are many challenges to doing digital business in India. The country's central bank, the Reserve Bank of India (RBI) has mandated data localisation, whereby the data of Indian users on digital platforms must be stored within the country's borders. Starting in January 2020, the Indian government intends to mandate that social media and e-commerce companies monitor messages, track senders and even take down some content. A bill, recently introduced in the Indian parliament, gives government agencies the rights to set aside privacy considerations in the name of national security. Such measures could prove to be a barrier for many international digital companies and make a theoretically huge market extremely unattractive.

Then there are the countries in which it is easy to do digital business, but only offer a small market, like tiny Estonia. While some larger European countries have responded to the sharing economy with bans, Estonia has made it easier for companies like Airbnb and Uber to operate with a new tax arrangement that allows hosts and drivers to pay tax authorities seamlessly.

Turkey is one of the fastest evolving nations when it comes to digital technology, but that potential upside also comes with caveats. Ridesharing businesses have had to contend with multiple barriers—Istanbul taxi drivers have taken them to court, and some drivers have reported hostility from yellow cab drivers. Online freelance platforms have found only a small available pool of Turkish freelancers and projects. And Turkey has one of the largest gender gaps in financial inclusion in the world, which limits potential users and entrepreneurs alike. These issues and others make Turkey one of the toughest major countries for digital businesses, ahead of only Indonesia and Russia, according to research on the "ease of doing digital business" worldwide that I conducted with Ravi Shankar Chaturvedi.

Even the Nordic countries did not rank as highly as you might expect, in part because some Nordic governments are highly motivated to protect user privacy. For example, in Denmark, the Danish Bookkeeping Act requires firms to store financial data of Danish citizens in either Denmark or another Nordic country for five years. This may make this market less valuable for companies that derive value from accumulating and combining trans-regional user data.

Of course, most countries are not uniformly welcoming or hostile to all digital businesses; a lot depends on the specifics of the platform and the business model. E-commerce will be slower in countries with unreliable physical infrastructure for fulfilment, logistics and cross-border taxes and regulations. Digital media will take a hit in countries that censor content. The sharing economy doesn't do as well in countries with resistance from incumbents, such as taxi unions or building owners or municipalities with zoning regulations. Freelancing platforms struggle in countries with lower English language proficiency or complex invoicing and tax filing regimes.

So as 2020 rolls around, and more unicorns prepare to gallop into the public markets, it would be wise for investors to tease out these differences and the impact they have on a digital company's value. The collective noun for a group of unicorns is a "blessing." Investors have a role to play in ensuring that companies teeming with innovative energy don't get stuck with the curse of 2019.

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

LETTERS TO THE EDITOR

Recharging groundwater aquifers

Not long ago, NITI Aayog had painted a very grim picture about the health of the country's aquifers by saying that 21 Indian cities, including New Delhi, Chennai, and Bengaluru, will run out of groundwater by 2020, besides articulating that 70% of water resources are contaminated. In this context, the unveiling of Atal Bhujal Yojana by the Union Jal Sakthi ministry, with an intent to strengthen the institutional framework of administering groundwater resources and ushering in behavioural changes at community level for their sustainable usage, deserves praise. Earlier efforts to improve groundwater management in rural areas had not been successful With groundwater contributing to more than 60% of the country's irrigation resources and subsided electricity tariffs for farmers leading to unsustainable extraction of groundwater, the time has come to balance farmers' demands with the imperatives of reviving the country's aquifers.

— M Jeyaram, Sholavandan

On India's chess gold

No praise is too high for Koneru Humpy, who emerged triumphant in the World Women's Rapid Chess Championship in Moscow, beating China's Lei Tingjie. The 32-year-old Indian made a stunning comeback, winning the 12th and final game against another Chinese, Tang Zhongyi, to force the tie-breaker with Tingjie. Humpy is only the second Indian to win the rapid gold in the current format after Viswanathan Anand won the title in the open section in 2017. Way to go!

— NJ Ravi Chander, Bengaluru

●Write to us at feletters@expressindia.com

Regd. No. TN/CPMG/722/2000 R.N.I. Reg. No. 37821/80 Printed and published by HS Gadhadar on behalf of The Indian Express Private Limited. Published at New No.37/26, (Old No. 23 & 24/26), 8th Floor, Sreyas Chamiers Towers,Chamiers Road, Teynampet, Chennai - 600 018. Phone: (044)6679 1000; Fax: (044) 6679 1031. Printed at V.S. Printograph Private Limited, No. 142, L & T Road, Burma Colony, Perungudi, Chennai - 600096.
Chairman of the Board: Viveck Goenka, Managing Editor: Sunil Jain, Deputy Managing Editor: Shobhana Subramanian* (*Responsible for selection of news under the PRB Act)

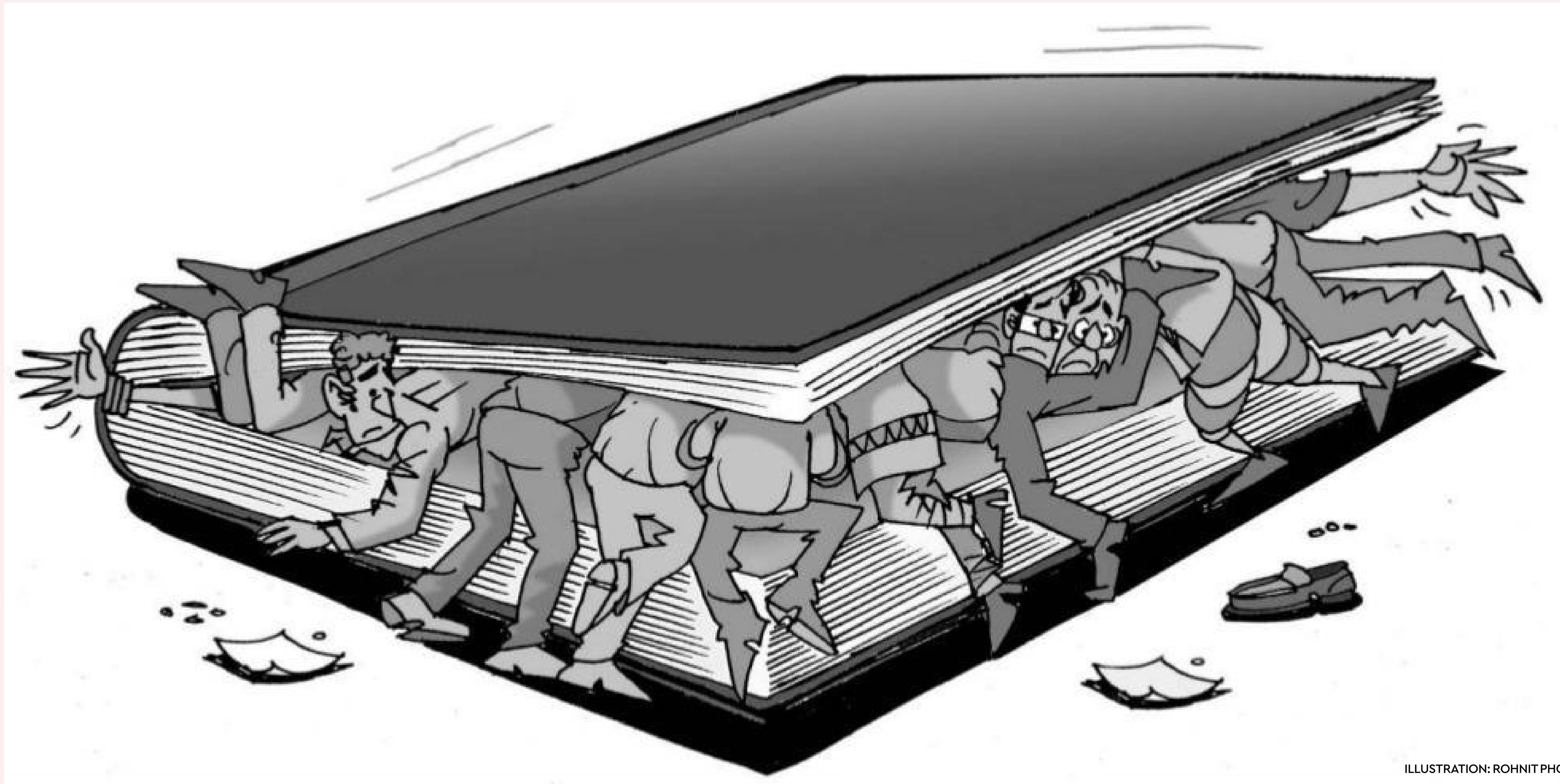
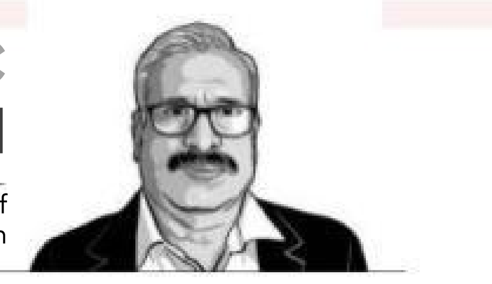


ILLUSTRATION: ROHNIT PHORE

PC MOHANAN
The author is former acting chairperson of the National Statistical Commission



NATIONAL POPULATION REGISTER

A statistical nightmare

The mobility of people is a key issue. Roughly 12% of the people would not be found in the place where they were enumerated in 2011. How does one update NPR details for them if they can't be found by the enumerators?

AS AN ADMINISTRATIVE measure, all governments favour conducting a census of people. In ancient Rome, Augustus Caesar was fond of censuses—it is believed that Joseph and a pregnant Mary travelled to Bethlehem to be enumerated for one such census, and that Christ was born during this trip. Population census is now an essential tool for modern governance, although a few countries with excellent civil registration systems have discontinued periodical censuses. In countries like India, we not only have a population census, but also censuses of livestock, tigers, houses, agricultural holdings, minor irrigation schemes, economic units, handlooms, below-poverty-line people, and even a census of people and their castes!

Currently, the ministry of statistics is conducting a nationwide census that enumerates all economic activities, an exercise as large as the population census, to prepare a 'business register'. Clearly, 'registers' are the current fashion for statisticians and administrators. The National Population Register (NPR), now in the news, is actually an extension of the population census.

The government has cleared a budget of ₹8,754 crore for conducting the 2021 census. Along with the population count, the Census Office collects data on a variety of other topics relating to population. The data collected is so large that even with the aid of modern technology, many reports are published using only a sample of the data collected. Further, a lot of data are published after a time-lapse—the migration data from the 2011 census came out only recently. Considering the volume of data, such delays are understandable.

The census methodology is clear and easy to understand; send out officials to the homes of people, count them, and come back with the filled-in forms. Mobile handsets/hand-held devices are likely to replace paper schedules for the current census. It is this conceptual simplicity that, perhaps, explains why census remains an attractive tool for administrators and is the first step in dealing with any economic or political problem.

Any data-collection exercise like a census suffers from two kinds of errors—coverage error, and content error, or the error in response or recording. Coverage errors occurs when one either misses or double-counts the target population. To know the magnitude of these two types of errors, the Census Commissioner does a post-enumeration check in a sample of blocks. Content errors are more difficult to judge, and vary from item-to-item in the questionnaire.

For the 2011 census, the post-enumeration check showed a net omission of 23 persons for every 1,000 persons enumerated, an estimated undercount of 23.1 persons, offset by 0.1 person for every 1,000 persons being counted more than once. In comparison, the 2001 check also showed that 23 persons per 1,000 enumerated persons were omitted, net of duplication. In comparison, the undercount in 1991 was 18 persons per 1,000 enumerated persons, similar to that of 1981 census. In 2001, the undercount was much larger in urban areas (40 per 1,000), and the northern zone, which includes Delhi, had an omission rate of 57 per 1,000 for males and 59 per 1,000 for females. Greater mobility in a city like Delhi may be the main reason for these high omission rates. In 2001, Delhi had an undercount of over 80 per 1,000 for males. Not counting the 2.3% of the population in 2011 would indicate that we have no information for 2.8 crore people of the country.

In 2014, the home minister, in response to a question posed in the Rajya Sabha, stated that an electronic database of 118 crore persons was prepared in the NPR from the 2011 census. The 2011 census had enumerated 121 crore people. Together with the likely undercount in the census, this would suggest that close to 6 crore people were missed in this NPR exercise. The scale of these data-gathering exercises would scare most statisticians.

As per the Census Office's website, the objective of the NPR is to create a comprehensive identity database of every 'usual' resident in the country. A 'usual' resident is always identified with reference to a geographical location at a point of time. The existing identification through Aadhaar has no territorial identity. As now understood, the NPR is prepared at the local (village/sub-town), sub-district, state and national level under the provisions of the Citizenship Act, 1955, and the Citizenship (Registration of Citizens and Issue of National Identity Cards) Rules, 2003.

Mobility of the people is another issue that complicates the preparation of any location-based registers. The percentage of migrants in the population was 37.6 in 2011, of which 31% had migrated or changed their usual place of residence in their village or town after 2001. Thus, one would expect that roughly 12% of the people would not be found in the place where they were enumerated in 2011. How does one update NPR details for them if they cannot be found by the enumerators? Calling the coming census an exercise to update the 2011 NPR appears to be a misnomer; it has to be a new exercise altogether. Updating is possible only if current and past records can be unambiguously matched through appropriate IDs and corrections incorporated, with new members inserted and dead persons deleted.

The house listing schedule of the forthcoming census has 34 items for information for each household, besides the location particulars that identify the household on the ground. The information collected for the NPR in 2011 included a lot of text data, like names of persons, names of places, addresses, etc. In addition, it is now proposed that more details, like Aadhaar number, voter card, phone number, driving licence number, passport number, etc, will be added. It is expected that all these will be entered into a hand-held device by the enumerator, usually a primary school teacher. The content errors, and the unending travails of the citizens to correct them, can be visualised only in a Kafkaesque scenario. A lot of data in the NPR, like educational status, marital status, occupation, etc, are also not constant for a person and, given the time-lag in the finalisation of registers, would have very little validity when the list is finalised.

The experience from the economic censuses conducted by the ministry of statistics to prepare a 'business register' much like the NPR, with establishments replacing people, is well known. The imperfectness of these registers was established when the NSSO used one of these for its 74th round survey, and found most of the names in the register untraceable on the ground.

A major concern for the researchers using the 2011 population census data, especially internal migration data, would be the effect of the NPR, and the rising controversy of it being a base document for the NRC, on the reliability of census data. Recent migrants always have a problem producing an identity or address proof for their current place of residence. Will they, then, be reported as migrants? Alternatively, people may report a longer residency at the place of enumeration to dilute their 'migrant' character.

The world over, surveyors are concerned about respondent burden and bias in reporting. The latter is quoted by the government as the reason for the lower toilet coverage reported from one of their own recent surveys. For census professionals, it is a nightmare to organise a census amidst fears and threats of likely disenfranchisement based on it, and maintain the credibility of data. The dramatic increase in the items on which information is to be collected would test the patience of both the enumerators, and the respondents.

BASE METALS OPERATIONS

JOSHY JACOB
The author is associate professor, Accounting & Finance, IIM Ahmedabad. Views are personal

Towards effective risk management

Institutional participation must be encouraged in commodity derivatives markets

> Rationalising the commodity transaction tax can go a long way in bringing the benefits of risk management to the producers and users of base metals in India

BASE METALS, critical inputs to the manufacturing sector and prime indicators of economic activity, are often exposed to high price volatility due to perturbations in the global demand and supply. As a significant fraction of base metal users in India comprises of small and medium enterprises, which operate with narrow margins and financial constraints, the sector is highly vulnerable to commodity price volatility. Ideally, vulnerable exposure to price risk should be managed through hedging with traded commodity derivative contracts. But a study of the risk management practices of base metal firms in India indicates that risk management with traded derivatives is not widespread amongst small and medium firms.

Interestingly, most of the firms value the information revealed by the futures prices of base metals broadcast by the commodity exchanges. They actively follow the futures price of base metals to update their industry outlook, and take into account the futures prices in their budgeting, to manage cost and revenue fluctuations arising out of base metals price volatility. Given the widespread awareness about the commodity price risks, it is somewhat surprising that a sizeable fraction of firms does not actively recognise the benefits of hedging with derivatives to manage the price risk. The poor adoption is despite their heightened concern that the commodities price risk is a major factor that could adversely impact their profit margins, cash flows, and the ability to commit capital expenditure. Though small and medium firms are shy of hedging, they readily agree that a single large risk event in the base metals markets can induce several years of distress.

Given the concentrated ownership of small and medium firms, unlike the large listed firms with widely distributed risks across shareholders, it makes little sense for the promoters of small firms to hold the commodities risk with themselves.

The poor adoption of risk management by small firms does not amount to a financially prudent choice and does not improve their competitiveness.

Large firms, on the other hand, have both more exceptional ability to absorb the commodity price risks given their financial resources and pricing power, and greater access to the domestic and international hedging markets. Large firms with active risk management recognise the improvement in operational efficiency and financing costs through hedging of the price risk. The study finds that small and medium firms are heavily reliant on their large value chain partners to manage the metal price risks by providing them with a stable business scenario.

The low adoption of hedging is attributable primarily to the lack of awareness of the economic benefits of hedging, lack of recognition of technical skills to trade in the derivatives markets, as also the lack of financial resources to maintain hedging through the life-cycle of operations. The study also reveals that small and medium firms perceive difficulties such as cash settlement of the contracts (subsequent to the study, Indian exchanges have made the base metals derivatives contracts delivery-based), high cost of trading, and the absence of long-maturity futures contracts as the key deterrents in accessing the commodities derivative market for risk management. In fact, these concerns arise despite the fact the futures prices traded on Indian exchanges have high hedging efficiency as in international exchanges and, therefore, can support the risk management needs.

The participants in our survey raised the impediments that are leading to the ineffective use of derivatives for risk management; these merit serious attention by the exchanges and the market regulator.

In light of the findings, several initiatives could be undertaken to build greater awareness about the risk management role of the exchange-traded commodity derivatives. Firstly, elevate the beneficial aspects of commodity derivatives and on how to incorporate it into their product pricing strategy, through a structured education programme. For instance, surprisingly, a large number of firms regard commodity options as an esoteric and expensive product, despite its suitability for risk management. Better awareness about commodity options would enhance its adoption as an effective tool for price risk management for small and medium firms, faced with fund flow constraints to deal with the daily MTM requirements in the futures market.

Secondly, it should be emphasised that cash settlement of futures contracts does not make them less effective for risk management, as prices of all the base metals traded in India converge to the international markets. Moreover, all base metals futures contracts are now delivery-based and more suitable for entities keen to make use of delivery facilities. In fact, within a few months of changing the settlement style of its five base metals futures contracts into 'compulsory delivery' mode, MCX has delivered close to 16,000 MT of metals through its accredited warehouses until August 2019.

Finally, while long-dated futures would suit the long operating cycles of some firms, such contracts have poor liquidity. As institutional investors, particularly financial institutions like mutual funds and alternative investment funds, start to participate in commodity derivatives, one can expect an increase in the liquidity of long-dated futures contracts. Institutional participation will also generate unbiased research on commodities fundamentals, which can be accessed by small and medium firms, which are currently dependent on research reports from market intermediaries.

The study suggests the need for several policy initiatives. Hedging by small and medium firms in the base metals industry on domestic exchanges could be encouraged through incentives, such as interest rate subsidy to meet the margin costs in hedging. Besides, there is a need to educate the industry participants about the role and use of exchange-traded commodity futures and options contracts for hedging, and the comparable pricing efficiency of the futures contracts traded in India with those traded in international exchanges such as the London Metal Exchange and COMEX. Finally, there is a need for measures to bring adequate liquidity into longer maturity contracts.

Encouraging institutional participation in commodity derivatives markets and rationalising the commodity transaction tax can go a long way in bringing the benefits of risk management to the producers and users of base metals in the Indian market.

THE WORLD IN 2020

It's time for tighter goals to reduce emissions

> Signatories of the Paris agreement say they will reduce emissions. In 2020, they must set tighter goals

"IT IS A small hammer but I think it can achieve great things," proclaimed Laurent Fabius on the morning of Dec 12, 2015. Moments before, France's then foreign minister had gavelled in the Paris agreement on climate change. It was a remarkable moment, sealing the first international agreement on climate change since the Kyoto protocol of 1997, and the first ever to include commitments by both rich and developing countries alike.

But in other ways, it was a bit of a let-down. Although the text included a collective pledge to limit global warming to 1.5-2°C above pre-industrial temperatures, that ambition was not matched by the sum of national promises to cut emissions. The world as a whole committed itself to tackling climate change, but in practice none of the governments seemed willing to do enough to make that promise a reality.

Aware of this contradiction, the architects of the Paris agreement built in a mechanism to encourage governments to declare new national climate goals (nationally determined contributions) to the agreement, or NDCs. Each new NDC must be greater than the previous one. The first updates are due in 2020 at COP26, which will take place in November in Glasgow.

The Climate Action Summit held in New York in 2019 was meant to get this process moving. So far, 81 countries, mostly small emitters in Africa and Latin America, have formally communicated their intentions to update NDCs in 2020. Collectively, they account for just 18.1% of global emissions. Among the big emitters, Australia, Brazil, Canada and Japan have remained silent on their intentions. Their contributions are key to the success or failure of any global climate pact. Donald Tusk, president of the European Council, said in New York that the EU would submit an ambitious long-term strategy in 2020. But earlier efforts to adopt a target of net-zero emissions by 2050 were blocked by the Czech Republic, Estonia, Hungary and Poland.

Commitment from China, the source of 27% of global emissions in 2017, is also crucial. It was reluctant to make any promises unless America moved first. Its position softened during Barack Obama's presidency. Donald Trump's administration has clearly removed any peer pressure on climate matters, but Xi Jinping's government is still committed to the Paris process, judging by a joint statement published with France in June 2019. Some analysts believe China may wait to see whether the American election delivers four more years of Mr Trump, or a Democratic administration with strong environmental policies. Mr Trump has promised to take America out of the Paris agreement. The earliest he could do that is November 2020, but a newly elected Democratic administration would probably rejoin it right away.

In the background of all the manoeuvring is a scientific assessment that global emissions should peak in 2020 to have the best chance of meeting the 1.5°C target. It would take a miracle for this to happen: emissions are rising by roughly 1.5% per year. Which means they will have to fall faster still in future.

THE ECONOMIST

Markets

TUESDAY, DECEMBER 31, 2019

EXPERT VIEW

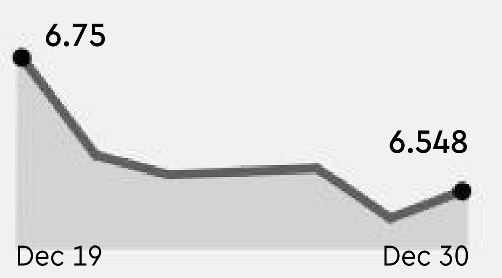
We expect that the drop in the revenue mobilisation of the government and likelihood of additional expenditure by the government might breach the fiscal deficit target in FY20.

—Arun Singh, chief economist, Dun & Bradstreet India

Money Matters

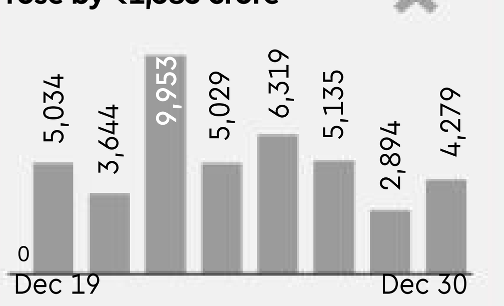
G-SEC

The benchmark yield rose due to selling pressure — 0.042%



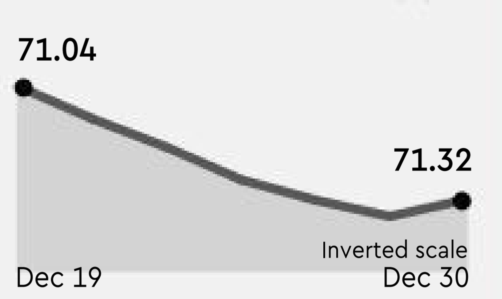
LAF

Bank borrowing under RBI's short-term window rose by ₹1,385 crore — 47.9%



₹/$

The rupee appreciated on global cues — 0.056%



€/$

The euro rose against the US dollar — 0.107%

● DRAFT GUIDELINES

RBI to limit UCBs' exposure to single, group borrowers

Banks will be required to bring down their existing exposures, which are in excess of the revised limits

FE BUREAU
Mumbai, December 30:

RESERVE BANK OF India (RBI) plans to restrict urban cooperative banks' (UCB) exposure to a single borrower and a group of connected borrowers at 10% and 25%, respectively, of their tier-I capital, show draft guidelines released by the central bank on Monday. At present, the limits are 15% and 40%, respectively.

The revised exposure limits shall apply to all types of fresh exposures taken by UCBs. Further, UCBs will be required to bring down their existing exposures, which are in excess of the revised limits to the stipulated levels by March 31, 2023. At the same time, where the existing exposure comprises only term loans and non-fund based facilities, while no further exposure shall be taken on such borrowers, these facilities may be allowed to continue as per their respective repayment schedule or till maturity.

The draft guidelines say that UCBs shall have at least 50% of their loan portfolio comprising loans of not more than ₹25 lakh per borrower. The overall priority sector lending (PSL) target for UCBs will be increased from the present level of 40% of adjusted net bank credit (ANBC) or credit equivalent amount of off-balance sheet exposure (CEOBSE), whichever is higher, to 75%. UCBs will have to comply with the above target by March 31, 2023 in a staggered manner. UCBs shall prepare, with the approval of their boards, an action plan for compliance with the revised exposure norms and priority sector lending targets, the draft circular said.

In the draft, the regulator said that the extant single/group exposure limits of UCBs have been reviewed, revised with a view to containing concentration risk, which may spiral into liquidity or solvency risks over time. There was also a need to enhance PSL limits for UCBs to meet the goal of financial inclusion, the RBI said.

"Further, credit exposure in many urban co-operative banks, particularly scheduled/large UCBs, predominantly comprises large ticket loans. Such predominance of large ticket loans in the bank's portfolio reduces diversification of credit risk and also reduces the scope for greater financial inclusion, which is one of the main roles of UCBs," the draft said.

The draft guidelines come in the wake of the blowout at Punjab & Maharashtra Cooperative (PMC) Bank, where the lender ran into a solvency crisis after 73% of its asset book – lent to a single entity, Housing Development & Infrastructure (HDIL) – turned bad.

SBI may see corporate NPAs rise in H2 FY20

FE BUREAU
Mumbai, December 30

STATE BANK OF India (SBI) may see some gross non-performing assets (NPAs) arising out of the corporate portfolio in the second half of FY20, a senior executive from the bank told television channel CNBCTV18 on Monday.

"We do expect some kind of headwinds from certain corporates which are probably being talked about, but I think overall since we have started providing for those NPAs, though the gross number might look different. Nevertheless, while we have started providing for those NPAs so I don't expect that it will have a significant impact," SBI MD for global banking and subsidiaries, Dinesh Khara said.

Khara added that the gross bad asset value is a function of the state of the economy and the stress on balance sheets.

SBI has, for quite some time, been following a policy of upfronting provisions in order to minimise shocks from credit events, Khara said.

Reserve Bank of India (RBI) said in the December 2019 edition of its Financial Stability Report (FSR) that stress tests indicate that under the baseline scenario, the GNPA ratios of all banks may increase to 9.9% by September 2020 from 9.3% in September 2019. The central bank cited changes in the macroeconomic scenario, a marginal increase in slippages and the denominator effect of declining credit growth as reasons for the expected climb in bad-loan ratios. Among bank groups, public-sector banks' (PSB) GNPA ratio may increase to 13.2% by September 2020 from 12.7% in September 2019 under the baseline scenario.

The forecast marks a shift in the narrative that bad loans in the system have peaked. In a recent interview, RBI governor Shaktikanta Das told FE that much of the chunky stress in the system had already been identified. "I think, overall, the NPAs have been identified. Now, if suddenly a large borrower slips, and that's a big if, naturally, it will come to be classified as a non-standard asset. But other than that, I think banks do have a sense of the NPA numbers," Das had said.

SBI cuts external benchmark lending rate by 25 bps to 7.8%

FE BUREAU
Mumbai, December 30

STATE BANK OF India on Monday reduced its external benchmark based rate (EBR) by 25 basis points to 7.8% p.a. from 8.05% p.a. with effect from January 1.

"With this reduction, interest rate for existing home loan customers as well as MSME borrowers who have availed loans linked to external benchmark based rate would come down by 25 bps," the bank said. New home buyers will get loans at interest rates starting from 7.9% p.a., it added.

SBI's external benchmark based lending rate is linked to the repo rate, which is currently at 5.15% after the December monetary policy review. The rate is fixed at repo rate plus 265 basis points. RBI had mandated that banks link all new floating rate loans to an external benchmark like repo rate from October 1.

DHFL receives claims of ₹92,404 crore so far

ANKUR MISHRA
Mumbai, December 30

DHFL claims (₹ crore)

Lenders (A)	41,342
Bondholders (B)	45,550
Financial creditors (Total A+B)	86,892
Operational creditors	60.76
Employess and workmen	2.01
Creditors other than financial and operational creditors	951
FD holders*	4,500
Total	92,404

Source: DHFL *As per company sources

THE TROUBLED MORTGAGE financier, Dewan Housing Finance Corp (DHFL), has received claims of ₹92,404 crore so far from creditors, which include financial creditors, operational creditors, deposit holders along with employees and workmen.

In a committee of creditors (CoC) meeting held on Monday, DHFL administrator informed that the company has received claims of ₹87,905 crore till December 17, excluding deposit holders. *FE* learned from sources that DHFL has also received claims of ₹4,500 crore from deposit holders till now. "This makes total claims at ₹92,404 crore till date and the window for deposit holders to submit claims is open till 90 days from the admission of resolution process," the source added.

These claims were submitted to the RBI-appointed administrator, R Subramaniakumar, a former managing director and chief executive of Indian Overseas Bank.

Of the ₹86,892 crore claims submitted by financial creditors, ₹45,550.07 crore are from bondholders and ₹41,342 crore from other lenders.

India's largest bank, State Bank of India, including SBI Singapore, is the lead creditor with a claim of ₹10,082.9 crore, followed by Bank of India, which has claimed ₹4,125.52 crore. Canara Bank has claimed ₹2,681.81 crore, National Housing Bank (NHB) has claimed ₹2,433.79 crore, Union Bank of India ₹2,378.05 crore and Syndicate Bank ₹2,229.29 crore, among other lenders.

Apart from financial creditors, the operational creditors have claimed ₹60.76 crore. Employees and workmen have claimed ₹2.01 crore. Interestingly, the administrator has also received claims of ₹950.53 crore from 'creditors other than financial and operational creditors'. These companies include Neelkamal Realtors Tower, which is a subsidiary of Mumbai-based real estate company DB Realty. Other companies in the list are HM Towers, MAN Realty and Merino Shelters. Neelkamal Realtors has alone claimed ₹757.65 crore from DHFL.

The CoC also considered proposals of cost to be incurred by the company during resolution process. This includes ₹75 lakh/month for advisor to administrator – EY India. CoC also considered fees to legal advisor AZB Partners, which amounted to ₹11,500 per hour on a blended basis. The voting on proposals will start on Wednesday January 1, 2020 and will continue till 72 hours before announcement of results. The next CoC meeting will be held on January 14, 2020.

The Mumbai bench of the National Company Law Tribunal (NCLT) had earlier admitted DHFL for insolvency resolution on December 2 after RBI appointed Indian Overseas Bank's former MD and CEO R Subramaniakumar as the company's administrator. RBI's decision on DHFL came after the government on November 18 empowered regulators under Section 227 of Insolvency and Bankruptcy Code (IBC) to refer cases of stressed financial service providers with assets of at least ₹500 crore to the insolvency court.

Lenders initially tried to resolve DHFL's stress as per the RBI's prudential norms on stressed assets resolution, under which lenders are mandated to sign an inter-creditor agreement (ICA). A resolution plan was then approved by DHFL's board in September, which proposed a conversion of debt to equity, leading to lenders acquiring a 51% stake in the company.

Rupee settles 4 paise higher at 71.31

PRESS TRUST OF INDIA
Mumbai, December 30

THE RUPEE APPRECIATED by 4 paise to settle at 71.31 against the US currency amid weakening of the US dollar in overseas markets even as global crude oil prices surged.

Subdued domestic equity markets and high crude oil prices restricted the gains in the rupee, analysts said.

At the interbank foreign exchange market, the rupee opened at 71.36 against the US dollar. During the day, the domestic unit saw a high of 71.30 and a low of 71.39.

The domestic unit finally settled at 71.31, higher by 4 paise over the previous closing price. On Friday the rupee had settled at 71.35 against the American currency.

"Rupee traded with flat range trade between 71.28-71.41 mainly due to oil importers are buying dollars frequently for their month-end outflows," LKP Securities senior research analyst (commodity & currency) Jateen Trivedi said.

According to VK Sharma, head-PCG & Capital Market Strategy, HDFC securities, "Indian rupee gains following weaker dollar index versus major trading currencies. The trading activity remained muted on global forex markets ahead of New Year holiday".

On the domestic market front, the 30-share BSE Sensex ended 17.14 points, or 0.04%, lower at 41,558. The broader NSE Nifty, however, closed 10.05 points, or 0.08%, higher at 12,255.85.

Foreign institutional investors (FIIs) remained net buyers in the capital markets, as they purchased shares worth ₹81.37 crore on Friday, exchange data showed. Market participants, however, said that rising crude prices weighed on the local currency.

Brent futures, the global oil benchmark, rose 0.66% to $68.61 per barrel. The dollar index, which gauges the greenback's strength against a basket of six currencies, fell 0.11% to 96.80. The 10-year government bond yield was at 6.51% on Monday.

"The benchmark 10-year bond yield steady at 6.51% on central banks open market operation. RBI has conducted second successful "Operation Twist" of ₹100 billion in Monday's session," Sharma said.

ANALYST CORNER

Gateway Distriparks: Maintain 'buy', TP at ₹127

MOTILAL OSWAL

GATEWAY DISTRIPARKS (GDPL) has entered into a share purchase agreement (SPA) with Adani Logistics to sell its entire stake of 40.25% in Snowman Logistics (Snowman) for a consideration of ₹2.9 bn at its board meeting on 27 Dec'19.

The acquisition has been made for more than 25% of the voting rights; therefore, an open offer for purchase of up to 43.4 m equity shares, representing 26% share capital of Snowman at ₹44/share has also been made. GDPL intends to focus on the container logistics business; net proceeds from this sale will be used to reduce debt.

GDPL has entered into the SPA to sell its entire 40.25% shareholding in Snowman Logistics to Adani Logistics for ₹2.95 bn. The expected date of the completion of sale is on or before 31 Mar'20. Snowman's net loss for H1FY20 was ₹102.5 m (v/s net profit of ₹20 m in H1FY19). GDPL accounted for its investment and share of profits in Snowman under the equity method and as an associate company. Adani Logistics is a pan-India end-to-end logistics services provider with operations spread across Container, Bulk, Break-bulk, Chemical, Auto and Liquid industries.

GDPL has indicated that it will focus on the container logistics business and will use net proceeds from this sale toward debt reduction. In Q2FY20, GDPL's net debt in CFS/Rail stood at ₹6.3 bn/₹1 bn. Further, GDPL also approved the sale of Chandra CFS in Chennai for a consideration of ₹470 m in Q2FY20. The entire proceeds of this sale were to be used to pay off debt. Besides, GDPL has NCDs worth ₹2.7 bn, which will mature over the next two years. The company has indicated its intention to repay these before time by using internal cash flows and by selling non-core assets.

GDPL is a direct play on India's EXIM growth and is a beneficiary of increasing containerization, which will be boosted on completion of the DFCs. Key monitorables are EXIM growth, margin improvement from the Viramgam terminal, and completion timelines of the DFCs. The stock trades at 5.2x FY21E EV/Ebitda. We value the stock at 6x FY21E EV/Ebitda to arrive at a TP of ₹127. Maintain 'Buy'.

Century Plyboards: Maintain 'buy', TP at ₹220

ICICI SECURITIES

CENTURY PLYBOARDS' (CPBI) strong execution capabilities have been its key success mantra over the last decade. Besides being one of the top two players in the branded plywood space and one of the fastest growing laminate brands, the company is now setting its eyes on becoming one of the top two MDF players over the next 2-3 years.

Its recent foray and success in the MDF segment (despite facing over-supply headwinds in the industry) reaffirms its execution skills. With the growth in plywood segment expected to pick-up gradually and the company expanding aggressively in its boards (MDF and PB) segment, we expect CPBI's growth momentum to sustain over the next 2-3 years. Driven by double digit revenue growth in laminates, MDF and PB segments and margin improvement in plywood, laminates and MDF segments, we expect CPBI to report revenue and PAT CAGRs of 7.6% and 28.5%, respectively, over FY19-FY21E. Maintain our 'Buy' rating on the stock with an unchanged target price of ₹220, valuing it at 20x FY21E earnings.

Growth in plywood volume/revenue in the recent past has been under pressure due to sustained decline in volume/ realisation of commercial veneers (CV). With CV volume/ realisation now in the base and the core plywood segment expected to gradually pick-up from next fiscal, we expect CPBI's plywood volumes/ revenues to report single-digit growth in FY21. Plywood margin, too, is likely to improve led by lower sourcing cost of CVs from Gabon.

Laminate segment, however, is likely to sustain double-digit growth aided by the recently launched new catalogue (in Q3CY20), focus on lower thicknesses and traction in exports. Despite over-supply headwinds in the MDF industry, CPBI's near-perfect execution has led to strong market share gains and uptick in its realisation – enabling it to report over 20% Ebitda margin in the current fiscal.

Quick View

HDFC Life joins Paytm to sell insurance products

HDFC LIFE announced its tie-up with Paytm. This partnership will enable Paytm customers to purchase innovative life insurance products offered by HDFC Life, via the mobile commerce platform. This tie-up is yet another milestone in HDFC Life's ongoing journey to form strategic partnerships, thereby making life insurance easily accessible to every Indian. The nature of the offering is simple – both in terms of products and the purchasing platform. All customers of Paytm can purchase HDFC Life policies in a simple and hassle-free manner.

Indian Bank to revise MCLR from January 3

INDIAN BANK on Monday said it would revise lending rates on marginal cost of funds from January 3. "The bank has revised the marginal cost of funds-based lending rate with effect from January 3, 2020," the bank said in a BSE filing. Accordingly, the revised MCLR would be 7.90% against the existing 7.95% for overnight tenors. For tenors of one month, the lending rates would be revised to 8.05% from the current 8%. Lending rates for tenors of three months would be revised to 8.15% from the current 8.20%.

IFIN reports standalone loss of ₹13,275 crore in FY19

FE BUREAU
Mumbai, December 30

IL&FS FINANCIAL SERVICES (IFIN) reported a net loss on a standalone basis of ₹13,274.52 crore in the financial year 2018-19, compared with a profit of ₹9.5 crore in the previous financial year.

The company's exposure to non-performing assets, expressed as "Stage 3" assets, increased to ₹12,429.64 crore, compared with an exposure of ₹2,249.98 crore in FY18.

Total liabilities of the non-banking financial company fell 8.76% year-on-year to ₹16,635.72 crore, while total assets in FY19 fell 79.5% to ₹3,831.16 crore. As on March 31, 2019, IFIN's total borrowings stood at ₹8,866.32 crore, up 2.75% y-o-y. Cash and cash equivalents of the company rose 20% y-o-y in FY19 to ₹964.90 crore.

IFIN's total default amount as on March 31, 2019, stood at ₹4,628.12 crore, excluding the interest liabilities post-October aggregating to ₹392.09 crore. The government-appointed board of IL&FS has made a provision of ₹11,358.54 crore on account of credit risk and impairment of investments, the company stated in its annual report.

The company started defaulting on debt obligations in August 2018, following which the government had in October 2018 suspended the erstwhile board of IL&FS group companies and replaced it with a another board led by Uday Kotak. The total debt obligations of the IL&FS group companies is close to ₹1 lakh crore.

IFIN, which is registered as a non deposit non-banking finance company with the RBI, is required to maintain regulated Capital Adequacy Ratio (CRAR) of minimum 15%, with minimum Tier-I capital of 10%. Tier-I capital, also called "Net Owned Fund," is the money used for the regular functioning of an NBFC and consists core capital, disclosed reserves and equity capital. IFIN's capital adequacy ratio and net owned fund both turned to negative 520.29% as on March 31, 2019.

The auditor for IFIN, Mukund M Chitale & Co, raised material uncertainty related to the company's ability to continue as a going concern and stated that IFIN. "The company has breached its conditions for holding a certificate of registration as a non-banking finance company (NBFC), issued by the Reserve Bank of India... We are unable to comment on whether the company will be able to continue as a going concern," said the report.

IFIN is currently under investigation by multiple authorities for financial irregularities. In October, the National Company Law Appellate Tribunal placed a moratorium on IL&FS group companies. IFIN has been classified as a "red" entity, meaning it cannot meet any debt obligations.

RBI buys long-term govt securities worth ₹10,000 cr in 2nd special OMO

PRESS TRUST OF INDIA
Mumbai, December 30

IN THE SECOND special open market operation (OMO), the Reserve Bank of India on Monday bought ₹10,000 crore of long-term government securities and sold ₹8,501 crore of three short-term bonds.

The RBI had announced to purchase and sell simultaneously government securities under Open Market Operations (OMO) for ₹10,000 crore each, last week. Though RBI offered to sell four securities in the auction, it accepted bids for three bids only. In the OMO purchase of 6.45% GS 2029, the 10- year benchmark security, the RBI received ₹25,698 crore worth of bids from the participants but accepted ₹10,000 crore of bids.

The RBI received 285 bids to purchase 6.45% 2029 security but accepted only 151 bids. The cutoff yield at which bids were accepted was 6.4874%.

The RBI offered to sell four government securities – 6.65% GS 2020; 7.80% GS 2020; 8.27% GS 2020 and 8.12% GS 2020 through OMO sale. It accepted only ₹8,501 crore worth of bids for the three securities against ₹38,551 crore bids it received in for four securities in the OMO sale auction.

In terms of number of bids, the central bank received 27 bids for 6.65% GS 2020; 34 for 7.80% GS 2020 and 29 for 8.27% GS 2020 and but accepted 11, 12 and 8, respectively. For 8.12% GS 2020 security, the RBI received 49 bids but did not accept any bid.

In a similar auction held last week, the RBI had purchased and sold same securities in the market.

It had purchased ₹10,000 crore of long-term government security while sold ₹6,825 crore of four short-term securities. These special OMO auctions are similar to the US Federal Reserves 'Operation Twist' aimed at faster transmission of policy rates, an analyst said.

RBI has reduced repo rate by 135 basis points between February and October 2019 but there has been a delay in passing on the cut in repo rate by lenders.

Market ends steady in a see-saw trade

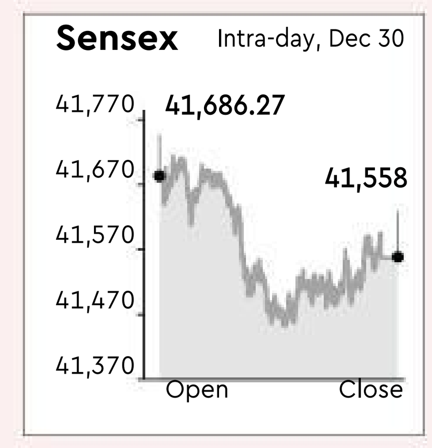
PRESS TRUST OF INDIA
Mumbai, December 30

BENCHMARK INDICES CLOSED on a flat note after a topsy-turvy session on Monday, with participants fence-sitting in absence of further cues ahead of year-end holidays.

At the closing bell, the BSE benchmark Sensex was 17.14 points, or 0.04%, lower at 41,558. The 30-share gauge swung between a high of 41,714.73 and low of 41,453.38 in a highly volatile session.

The broader NSE Nifty, however, closed 10.05 points, or 0.08%, higher at 12,255.85. The 50-share index too faced bouts of volatility during the day.

ICICI Bank was the top loser in the Sensex pack, shedding 0.99%, followed by SBI, TCS, HUL, Asian Paints and Axis Bank. On the other hand,



Nestle India, Hero MotoCorp, Mahindra and Mahindra, Bharti Airtel and Tata Steel were among the gainers.

Sectorally, BSE IT, bankex, finance, teck and oil and gas indices closed in the red. While, BSE auto, metal, telecom, industrial and basic materials were among the prominent gainers.

In the broader market, BSE midcap and smallcap indices outperformed benchmarks, rallying up to 0.75%.

Bitcoin believers expect 2020 rally as a reward for halving

BLOOMBERG
London, December 30

BITCOIN INVESTORS BELIEVE the world's biggest cryptocurrency is in for material gains in 2020 due to a network quirk.

The halving – or sometimes referred to as the halvening, in a nod to the fantasy film and TV franchise 'Highlander' – is due on or around May 18 and is the process in which the reward Bitcoin miners receive for creating fresh Bitcoins will be cut in half. That's by design and has happened twice before. In 2012, when the block reward went from 50 to 25 bitcoins, prices rose nearly 8,200% in a year. The gain in the 18 months after the second halvening in 2016 was more than 2,200%.

Of course, just two instances makes for a thin sample size. And there were other factors at those times, like incessant media attention fueling a Veblen-type mania in 2012 and 2017. One also can't make price predictions by purely looking at supply. Meanwhile, demand looks a lot more scarce now than in previous years.

Plus, the public is also more acutely aware of Bitcoin's longer-term structural issues that may hinder future upside. While it potentially addresses the problem of trust in a trustless world, it's generally cheaper to pay someone to act as a clearer than to expend the equivalent energy of a mid-tier country (just give this wonderful podcast a listen).

Yet Bitcoin enthusiasts are keeping the faith in the halvening, so expect even the skeptics to keep at least half an eye when the event comes.

INTERVIEW: DEVENDRA K VYAS, SREI EQUIPMENT FIN

'In equipment industry, we are seeing green shoots and gradual improvement'

THE PROCESS OF transferring of Srei Infrastructure Finance's lending business into Srei Equipment Finance by way of a slump exchange exercise is nearing completion, says ***Devendra Kumar Vyas****, MD of Srei Equipment Finance. In an interview with* ***Mithun Dasgupta****, Vyas says, besides co-lending partnerships with banks, his company is betting big on equipment leasing. Excerpts:*

Srei is in the process of consolidating its lending business into one entity, Srei Equipment Finance. What has been the progress and what is your strategy, going forward?

At Srei, our core expertise has always been equipment-backed financing and we have over the years developed clear understanding of various equipment and their associated risk profiles. Today, our learning has also been digitised and artificial intelligence helps us take risk call on the go. While we also understand project funding; we have decided to play on our strengths and focus only on equipment finance; hence the slump exchange. Eventually, we will witness our existing project finance portfolio running down. Our slump exchange exercise is also near to completion.

Srei is now focusing on growing its equipment finance business. What kind of growth are you expecting in this business? Is there demand for construction/infrastructure equipment?

Specifically in the infrastructure equipment space, sales of Q1 for this fiscal demonstrated slowdown, owing to the after effects of the elections and Q2 sales were affected by floods and droughts. When equipment sales drop significantly, so does the financing and leasing business because nearly 85% of equipment is procured through aided financial solutions. While on-going reports show muted credit, subdued manufacturing activities, tapering of domestic demand for key sectors and non-food bank credit de-growth to 8.3% in October 2019 from 13.4% in October 2018; specifically in the equipment industry, we are seeing green shoots and gradual improvement in the current October-December quarter. We are seeing a recovery.

The silver lining is that we are witnessing growth in segments such as consumer loan, personal loans, and gold loans. This is an indicator that consumers are willing to borrow and have confidence they can service their debts on time – a sign that recovery is in sight. The government realises that economic growth cannot be achieved without a growth in infrastructure. Worldwide, redoubling of investment in infrastructure is a key strategy to counter the impacts of a downturn. This is because infrastructure spending has a multiplier effect on the economy. For emerging economies like India, this multiplier is 2x or sometimes even 3x, which means that an infrastructure spending of 1% of GDP can boost the overall GDP by twice or thrice the amount.

Srei Equipment Finance has entered into co-lending partnerships with a few banks. What are your plans to grow this co-lending space?

We have always believed in creating new innovative solutions for our customers while enabling them to grow exponentially. The co-lending partnerships are a part of this endeavour as we believe that the combined reach and resources of an NBFC and a bank would enable customers to not just benefit novel finance solutions but also experience an array of new age banking products. We have recently tied up with five scheduled commercial banks to provide joint loans to our customers. The combined reach and resources of the two lenders under these blended lending arrangements will benefit customers with faster credit delivery and provide them access to life-cycle finance opportunities. The tie-ups are a win-win proposition for our partner banks as it gives them an opportunity to participate in a segment with high growth potential and leverage on our long standing industry understanding and partnerships with manufacturers.

We have also tied up with iQuippo, an end-to-end digital lending marketplace where a customer can choose the most suitable offer, from our tie-ups. The platform will provide transparency and simplify the loan application process and will make equipment finance decisions easy for our customers. The partnerships will also help us in strengthening our dominant leadership position in the equipment ecosystem, and will be a key driver for our growth, going forward.

Which are the new areas you have earmarked under equipment finance for growth?

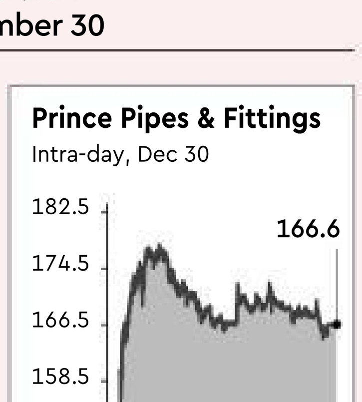
The government has begun the exercise of creating a national infrastructure pipeline with a vision to invest ₹100 lakh crore in infrastructure over the next five years. Already highway projects worth approximately ₹15 lakh crore have been identified. Once these investments materialise, we will soon see positive impacts in sectors such as cement, steel and automobiles, besides of course the infrastructure and construction equipment sectors. We have always believed in enabling and participating in a growth story. Besides co-lending partnerships, we are betting big on leasing.

For a long time now, the infrastructure sector is being driven primarily by policy facilitation and push in public spending by the central government. The participation of private sector investments has remained tepid, mainly because our banking system is under-capitalised and is only able to offer a limited range of products. In a time like this, leasing can play a big role in reviving investments. Across many developed and developing economies globally, leasing of equipment and real assets is a prominent source of private capital formation and contributor to GDP. For some of the developed nations, the equipment leasing as a percentage of private capital formation is as high as 40%. In India, however, the leasing penetration is abysmally low at less than 5%.

Put simply, leasing splits ownership and user – ownership remains with the lessor, and use moves to the lessee. Leasing is based on the premise that profits are earned through the use of assets, rather than from their ownership.

Prince Pipes shares tank over 7% in debut trade

PRESS TRUST OF INDIA
New Delhi, December 30

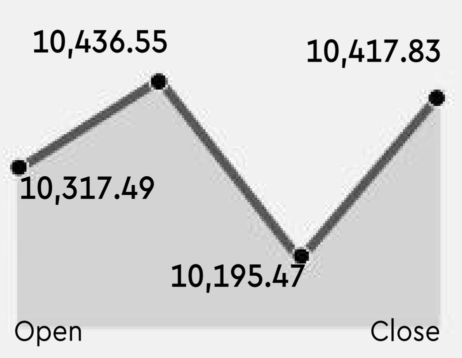


SHARES OF PRINCE Pipes And Fittings have made a weak debut on the bourses on Monday and closed over 7% lower from its issue price of ₹178. The scrip listed at ₹160, down 10.11% from the issue price on the BSE. During the day, it touched a high of ₹177.95 and a low of ₹152.60. It finally closed at ₹166.60, down by 6.40%. At the NSE, it ended 7.30% lower at ₹165. In traded volume terms, 20.37 lakh shares were traded on the BSE and over two crore shares on the NSE during the day. The company's market valuation was at ₹1,833.03 crore. The ₹500-crore initial public offer of Prince Pipes and Fittings was subscribed 2.21 times. The IPO was in a price range of ₹177-178 per share. JM Financial and Edelweiss Financial Services were the managers to the offer. Prince Pipes has manufacturing facilities in Dadra and Nagar Haveli, Uttarakhand, Maharashtra, Tamil Nadu and Rajasthan.

Street Signs

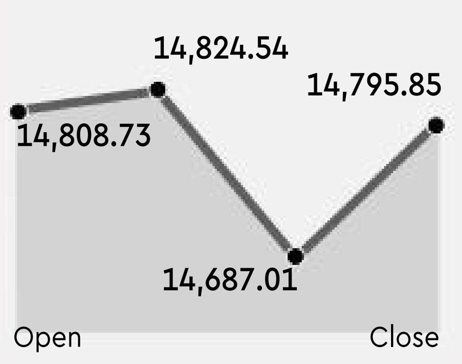
BSE Metal

Index gains as most members close at highs 1.25%



BSE Oil & Gas

Index falls marginally dragged by ONGC and Indian Oil Corporation 0.02%



December 30

INDIAN BASKET CRUDE

$68.27 BBL

₹4,862.26 BBL

EXCHANGE RATE

₹71.22/$

PRICE POINTS

December 30

	Del	Mum	Kol	Blr
Rice	34	31	30	52
Wheat	25	33	NR	36
Tur dal	97	95	88	96
Potato	28	36	26	36
Sugar	40	42	40	38
Mustard oil	132	136	105	132

Price in ₹/kg for Delhi, Mumbai, Kolkata and Bengaluru Source: Dept of consumer affairs

● MAHARASHTRA LOW ON CANE

Barely a month into season, sugar mills stop crushing

Of 135 mills that began crushing in state a month ago, two have stopped work citing lack of availability of cane and workers

NANDA KASABE
Pune, December 30

BARELY A MONTH after the commencement of crushing operations in the state, a couple of cooperative sugar factories in Maharashtra, located in Ahmednagar and Aurangabad regions, have stopped their exercises.

Maharashtra sugar commissioner Shekhar Gaikwad said of the 135 mills that began crushing in the state a month ago, two have already stopped work citing lack of availability of raw materials (cane) and workers needed in harvesting.

The Kedareshwar Cooperative Sugar Factory in Ahmednagar region and Sharad Paithan Cooperative Sugar Factory in Aurangabad region have completed operations for the season, crushing around 1,500 tonne to 2,000 tonne of cane.

Gaikwad had earlier stated that over the next 30 days about 70% mills would complete their operations on account of low cane availability. The sugar season in Maharashtra is currently at its peak, but the majority of mills are expected to finish their operations by the end of January 2020 because of lower acreage, diversion of cane for fodder and crop losses due to floods. While mills in Marathwada region are expected to start shutting down by January-end, some factories in Western Maharashtra may continue crushing till the end of February, officials stated. A meeting is slated to be held with mill owners next week following which the exact situation will be known.

To date 154 lakh tonne of cane has been crushed to produce 153 lakh quintal of sugar with a recovery rate of 9.94%. Normally, the sugar season in Maharashtra starts after Diwali and continues till the end of March. But the sugar season of FY 2019-20 is curtailed by about 60 days as the acreage has shrunk to about 8.22 lakh hectare, against last season's (2018-19) 11.62 lakh hectare. Most mills in and around Kolhapur region will close by January. However, a handful of co-operative sugar mills, Shree Dutta at Shirol in Kolhapur being one of them, will continue their crushing operations till March 2020 as they have a strong member team of over 45,000 farmers and large areas under cane cultivation.

The sugar season in the state is currently at its peak, but the majority of mills are expected to finish their operations by the end of January 2020 because of lower acreage, diversion of cane for fodder and crop losses due to floods

Meanwhile, the sugar commissioner's office has reduced sugar production estimates to 52 lakh tonne, citing diversion of cane to fodder and ethanol production. Earlier, the commissioner had estimated Maharashtra's sugar production to touch 58 lakh tonne. Around 24 mills will be producing ethanol while six have been producing ethanol directly from cane juice, he said. Rohit Pawar, former chairman, Indian Sugar Mills Association and CEO, Baramati Agro, which operates private sugar mills in Pune and Aurangabad, said the final sugar production figure would be around 60 lakh tonne.

It may be noted that last week, citing lower molasses production in the 2019-20 season, the state government has decided to ban exports of molasses, produced in the 2019-20 season, till September 30, 2020.

The state government figures reveal that Maharashtra produced 35 to 40 lakh tonne of sugar cane molasses in 2017-18. Of these, 35 lakh tonne have been used for the production of alcoholic beverages and livestock in the state, 1.77 lakh tonne has been exported to other states and 2.53 lakh tonne has been sent in overseas export.

Also, in six months between November 2018 and March 2019, 45.72 lakh tonne of paddy have been produced and 29.18 lakh tonne have been used in the state for distillation and cattle feed. Around 3.29 lakh tonne of molasses have been exported to other states and other nations.

Molasses is an important source of revenue for the state excise duty department. Molasses is mainly used for the manufacture of alcohol.

Commodities clinch best year since 2016 as trade worries subside

JAKE LLOYD-SMITH
Singapore, December 30

COMMODITIES ARE SET for the best annual performance since 2016, with crude to copper posting annual gains. The Bloomberg Commodity Spot Index has hit the highest since November 2018 as trade tensions ebb, a risk-on mood sweeps markets, and the dollar eases. The gauge is now up 11% in 2019.

Commodities are benefiting from an end-of-year surge as the outlook for 2020 appears, at least at present, to be more promising than conditions that prevailed for much of this year. The US-China phase-one pact — expected to be formally concluded next month — hinges on the Asian nation's increasing purchases of farm goods. In addition, prospects for a deal have helped spur restocking by raw material users, according to Oversea-Chinese Banking Corporation.

"Renewed optimism from the US-China trade deal is driving demand expectations higher," said Howie Lee, an economist at the Singapore-based lender. "Stockpiles are low going into 2020 and, with the expected pickup in demand, a lot of industry players find themselves short of inventories."

Raw materials have also enjoyed a tailwind from a weaker US currency, with the Bloomberg Dollar Spot Index retreating 1.7% this month to the lowest level since July. After three interest rate cuts this year, the US Federal Reserve is expected to hold monetary policy steady over 2020.

Concerns among investors about the possibility of the onset of a US recession, which hurt commodities earlier this year, have eased. This month, bond manager Jeffrey Gundlach said the odds of a recession by the end of next year have dropped to 35%. In September, he had predicted 75%.

Conditions in China, the top raw material user, are picking up too. The nation's economic performance improved in December for the first time in eight months, according to earliest-available indicators compiled by *Bloomberg*. The advance in raw materials has been broad-based. Crude in New York has risen to the highest since September, with prices up 36% this year as the OPEC+ group of producers presses on with supply curbs.

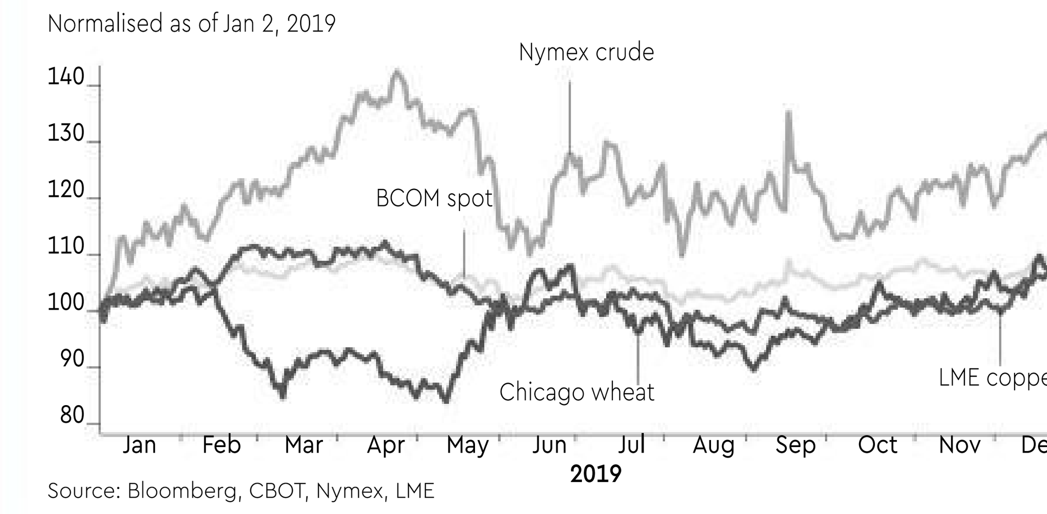
In base metals, copper has surged far above $6,000 a ton as global stockpiles sink and the macro-economic outlook brightens. Wheat is trading at the highest since 2018 and soybeans are set for the biggest monthly advance since 2016. There have been gains in precious metals too, including traditional haven gold, which has climbed in December even as the risk-on mood prevails and equity markets set records. Bullion has risen 3.3% this month to $1,512 an ounce.

—BLOOMBERG

Material gains

Commodities set to cap strongest year since 2016

Normalised as of Jan 2, 2019



Source: Bloomberg, CBOT, Nymex, LME

Quick View

Pradhan calls for innovation in steel, mining industry

STEEL MINISTER DHARMENDRA Pradhan on Monday urged the steel and mining industry to undertake research activities as it would build the foundation for an advanced and vibrant sector. Pradhan remarks came after a meeting with the officials of CSIR-Institute of Minerals and Materials Technology in Bhubaneswar. "We should adopt an outcome oriented approach to contribute towards national economic growth. Innovation will be key to create a knowledge based entrepreneurial ecosystem. Heartening to know that small industries are also giving research opportunities to institutes in Odisha. These research activities will build the foundation for a technologically more advanced and vibrant mining and steel industry in the region," Pradhan said in a tweet. The minister lauded the institute for developing technology to utilise low grade iron ore and thermal grade coal for the industry.

PFS gets ₹500-crore long-term loan from BoI

PTC INDIA FINANCIAL services (PFS) on Monday said it has been sanctioned fresh long-term loan of ₹500 crore from Bank of India for onward lending to infrastructure projects. The loan for a period of 10 years has been sanctioned at an interest rate of 8.50% per annum, the company said. "We will use this loan to further expand our lending portfolio in infrastructure projects and other operational requirements," said PFS managing director and CEO Pawan Singh. Singh further said the company's portfolio quality has been improving with each quarter passing and in the last one year it has resolved stressed assets considerably. PFS is structured as a 'one-stop shop' for financing of energy value chain and select sectors of infra projects.

Prince Pipes shares tank over 7% in debut trade

SHARES OF PRINCE Pipes And Fittings made a weak debut at the bourses on Monday and closed over 7% lower from its issue price of ₹178. The scrip listed at ₹160, down 10.11% from the issue price on the BSE. During the day, it touched a high of ₹177.95 and a low of ₹152.60. It finally closed at ₹166.60, down by 6.40%. At the NSE, it ended 7.30% lower at ₹165. In traded volume terms, 20.37 lakh shares were traded on the BSE and over two crore shares on the NSE during the day. The company's market valuation was at ₹1,833.03 crore.

Centre to disburse ₹12k cr to 6 crore farmers on Jan2

FE BUREAU
New Delhi, Dec 30

THE CENTRE WILL transfer over ₹12,000 crore to the bank accounts of more than 6 crore farmers under the flagship PM-Kisan Scheme on January 2 at Tumkur in Karnataka. Prime minister Narendra Modi will release the funds as a new year gift to the farmers, sources said.

No farmer has received the installment of ₹2,000 since December 1 as the plan was to transfer the amount at one-go in new year, the sources said. This is the last tranche of installment this financial year and at least 6.5 crore farmers will get the benefit as their data have already been verified with Aadhaar-linked bank accounts. Disbursal to above 6.5 crore farmers will depend on new enrollment under the scheme and data verification through Aadhaar, which is compulsory from December 1.

Of 14 crore farmers estimated to get the PM-Kisan benefits, the Centre has collected data of as many as 9.2 crore farmers as on December 29. West Bengal, with an estimated over 70 lakh farmers, is the only state out of the ambit of PM-Kisan as it has refused to share and authenticate farmers' data. Uttar Pradesh is the top-performing state, which has collected data of nearly 2 crore (out of 2.4 crore) farmers, so far.

The Centre may be able to save about 40% of the budgeted ₹75,000 crore this financial year under the scheme while the total disbursal could be around ₹45,000 crore. Till November 30, the Centre had transferred ₹35,955.66 crore into bank accounts of 7.62 crore, 6.5 crore and 3.86 crore farmers (not mutually exclusive sets) as first, second and third installments, respectively, since the inception of the scheme. Of this amount, about ₹6,000 crore was disbursed in FY19.

The direct-benefit transfer scheme was announced by then finance minister Piyush Goyal during his Interim Budget speech in February. Initially, the target was to cover 12 crore small and marginal farmers (owning up to 2 hectare), with each getting ₹6,000/year in three equal installments of ₹2,000 each. But after returning to power in May, the NDA government expanded the scheme to cover all the farmers, benefiting additional 2 crore growers.

PM-KISAN SCHEME

- No farmer has received the instalment of ₹2,000 since December 1 as the plan was to transfer the amount at one-go in new year
- This is the last tranche of installment this financial year and at least 6.5 crore farmers will get the benefit
- Their data have already been verified with Aadhaar-linked bank accounts

Slow use of funds for affected people worries FIMI

PRESS TRUST OF INDIA
New Delhi, December 30

APEX MINERAL BODY FIMI on Monday expressed concern over slow utilisation of funds collected from different districts under the government scheme for mining-affected people, and stressed upon creation of a miners' panel to advise government to "gainfully utilise" the amount.

"Accumulation of funds being collected by the government under District Mineral Foundation (DMF) has touched ₹33,273 crore by October, but the spending has been just about 30%... Rural and tribal community do not understand DMF and contribution of mining companies in DMF unless the existing accumulation is gainfully utilised.

"A miners committee should be formed to advise government in this regard and FIMI is ready to take lead in this," the Federation of Indian Mineral Industries (FIMI) said.

Till October, the government has been able to utilise only ₹10,537 crore, it said. This amount is also spread across 21 states and union territories and in 557 districts.

"Government has no action plan to gainfully utilise this mammoth accumulation of DMF funds, which is only increasing every month," FIMI said.

It further added that only 43% projects have been completed, 34% are on-going, 17% yet to start and six per cent projects have been cancelled. When licence to operate is a necessity for miners, the 70% unspent amount, nearly ₹22,735 crore, is only creating unrest in the community.

Government collects DMF funds under three categories — coal and lignite mining, major minerals (excluding coal and lignite) and minor minerals.

Gold to retain price glitter in 2020; may touch ₹45,000 per 10 gm

PRESS TRUST OF INDIA
Mumbai, December 30

ALWAYS A PRICEY possession, gold is set to remain more pricey in the New Year, too, as continuing geopolitical tremors, economic woes and rupee volatility are expected to push the yellow metal even to ₹45,000 for 10 gm. Thanks to various government policies and soaring stock market, gold witnessed periodic as well as steep price fluctuations in 2019, with bias towards the higher side in the second half of this year.

Data from the World Gold Council shows that 14 central banks, including the RBI, have reportedly added more than one tonne to their reserve. "As we look to 2020, we believe investors will face increasing geopolitical concerns, while many pre-existing ones will be pushed back rather than being resolved. "In addition, the low level of interest rates worldwide will keep stock prices high and valuations at extreme levels, on the verge of peaking out. Therefore, we believe there are reasons for higher levels of safe-haven assets like gold," Commtrendz Research director Gnanasekar Thiagarajan told *PTI*.

From US-China trade turmoil to conflicts in the Middle East, geopolitical issues are galore for the global markets, which might also await cues from the US presidential polls towards end of 2020. The potential medium-term target lies at ₹41,000-₹41,500 per 10 gm at MCX ($1,640-$1,650). Further, the level could rise to ₹44,500-₹45,000 (41,795-1,800) in case there are new developments on the global front that could dent risk appetite, he said.

Oil hits three-month high on upbeat data, Middle East tension

OIL PRICES ROSE to three-month high on Monday, underpinned by optimism over an expected China-US trade deal and upbeat industrial data, while traders kept a close watch on the Middle East following US air strikes in Iraq and Syria. Brent crude futures were up 40 cents at $68.56 a barrel.

The international benchmark has risen around 27% in 2019. West Texas Intermediate crude futures rose 10 cents to $61.82 a barrel by 1500 GMT. The US benchmark is up about 36% this year. "Oil prices continue to remain supported near frothy levels as tensions in the Middle East could see key disruptions in the region, shrinking US stockpiles alleviate oversupply concerns and the US and Chinese look to wrap up phase-one trade deal," said Edward Moya, OANDA senior market analyst.

—REUTERS

Credit growth, risk elements to impact demand and exports

SUSHIM BANERJEE
DG, Institute of Steel Development & Growth

CONTINUING WITH THE premise that liquidity issues have afflicted Indian economy and therefore the regular production trend of the commodity sector, a few more data by the Reserve Bank of India (RBI) have come to light.

Total credit growth by scheduled commercial banks (public and private) has gone up 8.7% in September, slower than 13.2% growth observed in gross loans and advances in March. It is important to note that the credit growth by public sector banks (PSBs) has, in fact, gone down by 4.8% (y-o-y) in September, and the growth in credit by the entire banking sector has been made possible by 16.5% credit growth by other private sector banks. This raises the question if the PSBs have become more risk averse compared to their private counterparts in the recent period.

The gross non-performing assets (GNPAs) in the economy has maintained an unchanged ratio of 9.3% during March and September, and is slated to move up to 9.9% of the total advances by September 2020. It is reported by the RBI that the asset quality of the sectors measured by the GNPA ratio stands at 6.3% in the services sector, 10.1% in the agriculture sector and 17.3% in the industrial sector. However, it may be mentioned that in March and September, the annual slippages in all sectors have come down. The slippage ratio has, in fact, increased in segments like textile, rubber and plastic, and construction, and by a lesser extent in segments like infrastructure, basic metals and mining.

The deterioration in asset quality in construction as well as infrastructure sectors has adversely affected the credit growth in these sectors, which continue to remain the highest category accounting for nearly 68% of steel consumption in the country. In addition, the GNPAs from non-banking financial centres (NBFCs) have gone up from 6.1% in March to 6.3% in September. This has impacted credit flows to the SME sector, which accounts for nearly 47% of domestic steel availability.

The lowering of the growth rate in NPAs may not, however, conclusively point to a revival of market sentiment as the risk surveys conducted by the RBI do indicate that perceptions on fiscal risk, corporate sector risk and banks' asset quality risk have marginally moved up in April and October. The risk survey has also signalled that resolution of legacy-bad assets, under the Insolvency and Bankruptcy Code, have proved to be essential to enable banks to support the current aspirations to economic growth in the country.

At this stage, it must be mentioned that global risk elements, specifically with regard to economic growth (global GDP for 2019 currently projected at 3.0% as compared to 3.2% projected in April by IMF), global trade growth currently estimated to grow by 1.1% in 2019 as opposed to 2.5% envisaged earlier do indicate that global growth and trade are the two important parameters determining export growth.

The total merchandise exports from India have exhibited de-growth of 2% in April to November against 10.9% rise last year. However, in case of the steel sector, despite the rising concern over continuation of trade wars between China and the US that has adversely impacted steel exports from the export-oriented countries/blocks, viz. Japan, EU, Russia, South Korea and Turkey, India has emerged as a net steel exporter during April-November period.

While total imports during the period stood at 5.35 MT by the end of November showing a decline of 11.8% (0.72 MT lower compared to last year), the total steel exports at 7.51 MT indicating a rise of 28.0% (1.64 MT more compared to last year) shows that India has become a net exporter by 2.16 MT by the end of November. If the current growth rate in exports and imports are maintained in the next four months, India would end FY-20 by being a net exporter with 3.24 MT of steel.

Indian steel producers must continue to make maximum efforts in raising exports to countries like Vietnam, the UAE, Italy, Belgium, Nepal, and of products like HRC, coated sheets, CRC, plates, wire rods, billets etc.

Higher exports would enable higher capacity-utilisation as well as higher realisation in tune with increasing global prices (Chinese export price of HRC SS 400 fob Ex-Tianjin at $483/t in December rising from $ 427/t in October).

It is argued that while poor growth in credit from the SCBs is dominated by the Gross NPAs reflected in their balance sheets, it is also influenced by the strength of demand for credit. The RBI survey shows that large corporate houses, being liquidity-rich, have limited credit needs and as this sector has a major share in investment, the adverse impact on reviving investment is established. However the missing link is the demand growth in the economy, which would pave the way for investment from the corporate sector. Also, public investment infrastructure is to take care of the larger risks of return even at the cost of a few more per cent of GDP and it must precede the flow of investment by corporate in real estate, consumer durables, logistics and capital goods sectors.

(Views expressed are personal)

Personal Finance

TUESDAY, DECEMBER 31, 2019

ON DIGITAL PAYMENTS

MK Jain, deputy governor, RBI

Considering the strong linkage between financial inclusion and payment systems, RBI has also taken several steps including encouraging use of mobile banking and pre-paid instruments.

MUTUAL FUNDS

Five steps to consolidate your MF portfolio

As the year 2020 starts, consolidate your mutual fund portfolio to protect it from overdiversification and ensure you are on track to achieve your financial objectives

HARSH JAIN

AS THE YEAR 2019 comes to an end and you are already planning your 2020 resolutions, especially those concerning finances, there are still a few things in the current year that need your utmost attention. One of those things is consolidating your mutual fund investment portfolio for the year 2020. Consolidation protects your portfolio from overdiversification and ensures you are always on track to achieve your financial objectives.

Let's see how to do so:

Take hold of your inventory

The first thing to do is to take into account everything that you have. Consider all your mutual fund investments, see their track record, map them with the reason why you invested in them and then decide if they still hold any good. There could be cases where you may have invested in multiple mutual funds belonging to the same asset class based on recommendations.

ILLUSTRATION: SHYAM KUMAR PRASAD

Many investors have the misguided view that with each additional mutual fund to the portfolio, their risk is mitigated. However, evidence suggests that diversification works only till a certain point, beyond which your portfolio becomes overdiversified, fetching you suboptimal returns. Having too many funds also pose tracking issues, which is an extremely important activity post investing.

Optimal diversification is possible not by adding a large number of mutual funds to your portfolio but by adding a number of uncorrelated mutual funds to your portfolio. So, take a look at your mutual fund portfolio. See how the individual funds have performed and the performance of the entire portfolio as well. If a fund has been consistently giving poor returns, take the call to stop further investing in such a fund and switch to a better fund in the same category. Also, if you have been investing in regular plans based on recommendations, switch to the direct plan of the same mutual fund to save on commissions.

Plan as per your investor type

Now that you have reached the stage of consolidating your investments, you must have understood what kind of investor you are. Once you have identified your type, you must make investments accordingly. For example, you may be an aggressive investor or one with a good risk-appetite but a majority of your investments are inclined towards low-risk instruments or debt funds. This will lead to an underexposed portfolio and unrealised investment potential. So accordingly, increase the exposure of your portfolio to equity funds. The idea is to be invested across limited funds that provide the desired exposure and diversification simultaneously which are in alignment with your goals.

After weeding out the under-performers and making space for new mutual funds, you need to select the new funds carefully

Well-researched fund selection

Once you have weeded out the underperformers and made space for new mutual funds, you need to act responsibly while selecting funds. Conduct comprehensive research and dig down deep into the fund's performance, fund house stature, dividend pay-outs and other relevant factors before actually adding it to your portfolio. Do not fall for the recent trends of funds you are targeting. Look out for long-term trends like five to 10-year returns and then make an informed decision. There are plenty of educational resources available that can help you weigh the pros and cons and select a fund best suited to your financial objectives.

Redeeming and re-investing

Of the funds you are invested in, there would be some with a dividend plan and some with a growth plan. Depending upon your cash flow needs, you need to decide whether to redeem those funds or continue with the investments. You must take into account the exit load and other costs associated with the investments before redeeming. If the exit load is nil or ignorable, then you can consider redeeming the non-performers and re-invest the gained amount into better performing funds that fall in place with your goals and expectations.

Update your emergency fund

Now that the year has come to an end and you are headed towards a new one, there will be new opportunities, new trends, newer gains and new problems. It is therefore important to prepare yourself for financial exigencies, one of which is having an emergency fund. Emergency does not necessarily mean a medical emergency, there might be an unfortunate time when you lose your job or a recession hits your industry and you are forced to move to a lower paying profile or so. Hence, invest in your emergency fund and maintain it year by year.

The writer is co-founder and COO, Groww

MOTOR INSURANCE

SAJJA PRAVEEN CHOWDARY

Year 2019: Hike in third party premiums & penalties as Irdai revisits product structure

CONSIDERING THE VARIOUS developments in the ecosystem as well as in technology relating to motor vehicles, the Insurance Regulatory and Development Authority of India (Irdai) brought in numerous changes in its existing products and insurance policies. The guidelines issued in the year 2019 made motor insurance policies better and simpler.

Here's a quick look at some of the important regulations issued by the insurance regulator.

Increase in third-party premium

The regulator has been notifying the premium rates for Motor Third Party (TP) Liability Insurance, every year, starting from 2011. From June 16, 2019, for private cars not exceeding 1000 cc the annual TP premium was raised from ₹1,850 to ₹2,072, and for private cars of 1000-1500 cc capacity, the premium was raised from ₹2,863 to ₹3,221. However, the TP premium for private cars exceeding 1500 cc remains unchanged at ₹7,890.

ILLUSTRATION: SHYAM KUMAR PRASAD

For two-wheelers, TP premium was increased for first three vehicle cc slabs while the last slab remained unchanged. For bikes not exceeding 75 cc the premium was raised from ₹427 to ₹482.

Increase in penalty on driving without insurance

According to the new Motor Vehicles Act, which came into force from September 1, the penalty on driving a vehicle without valid motor insurance has been increased to ₹2,000 for the first offence and a fine of ₹4,000 for the second offence with the possibility of being jailed for three months on all occasions. The increase is a jump of 100% as the earlier penalty was ₹1,000. In total, 63 new clauses were introduced which includes increase in penalties for drunken driving, driving without licence, speeding or racing, red light jumping, disobedience of orders of authorities and many more.

Revisiting the product structure

In November, the regulator brought out an exposure draft on making motor insurance policies simpler. There are various changes suggested in the draft that affect the consumers in a very positive way such as defining sum insured—value to be paid to the customer in case of total loss of vehicle, depreciation to be followed in case of claims (vehicle parts), coverage of engine damages due to water ingression and consumable items such as engine oil, nuts and bolts in case of a claim.

Irdai plans to allow usage of telematics in the motor insurance industry as it plans to allow the concept of 'pay as you drive and pay how you drive'

Under the proposed draft, the sum insured is expected to be the invoice value for the initial three years and depreciation would happen upon invoice value post the third year and not on the ex-showroom price as done earlier. As per the new guidelines, anything and everything will have a depreciation value. Different parts having different deprecation may be ruled out completely and all parts will have same depreciation, i.e., till 1st year – 10%, till 2nd year – 20%, till 3rd year – 30%, till 4th year - 40% and till 5th year—50%.

The regulatory body even initially plans to allow usage of telematics in the motor insurance industry as it plans to allow the concept of pay as you drive and pay how you drive. In its latest exposure draft, it has made it clear that the Insurance Information Bureau of India will act as a data depository and will store and own the data. The regulator even plans to help insurers to keep a check on fraudulent elements through Cancellation of RC for total loss cases, claim intimation within 24 hours and mandatory deductible linkage to sum insured.

The writer is business head, Motor Insurance, PolicyBazaar.com

YOUR QUERIES

Chaitali Dutta

Take a term cover on life of principal earner when you take a home loan

• Is it a good idea to take an insurance at the time of taking a home loan? What kind of insurance should we take?

– Anand Parthi

As a borrower, it is a good idea to take a vanilla term cover equivalent to the loan amount, on the life of the principal earner of the family. You may opt for a straight-line cover for the period of the loan or go for a reducing balance cover. Additionally, take a natural disaster, terrorism and fire insurance for the structure of your property. This will limit your losses in the event of an earthquake, flood or a fire.

• I am 52 years old and my wife is 50 years. Both of us together earn around ₹3 lakh a month. We have a flat for which we have cleared the bank loan two years ago. We want to buy a bigger second flat and retain the existing flat also. Will a bank grant us loan and who much amount can they give us?

—B D Desai

You are eligible for a home loan. The loan amount in your case would be just above ₹1 crore, assuming you continue working for the next 10 years. Your EMI should not exceed ₹1.5 lakh per month. If you want a larger loan, the bank may consider an expected rental from one of the flats. This extra cash-flow will increase your loan eligibility.

• Five years ago I took an education loan for my son. We repaid the full amount last year. Now he wants to do another course abroad. Can we apply for a fresh education loan again?

—S R Pandit

Yes, your son may apply for another education loan. Since the earlier loan was paid off in time (assuming without default) the credit history will be satisfactory. This will help you in procuring a fresh loan.

• I have taken loan from bank against my property. Now I am unable to make timely EMI payments. Can I settle my loan account? What will be the procedure and what concession would I get?

—Atharv Uppal

The only way out is to pay the outstanding amount and clear the loan. You may have to tap other resources to generate the funds. If you do not have alternate resources, you have to ask the bank to sell the property, clear the loan with part of the proceeds and pay you the balance amount.

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

Investor

ULTRATECH CEMENT RATING: **BUY**

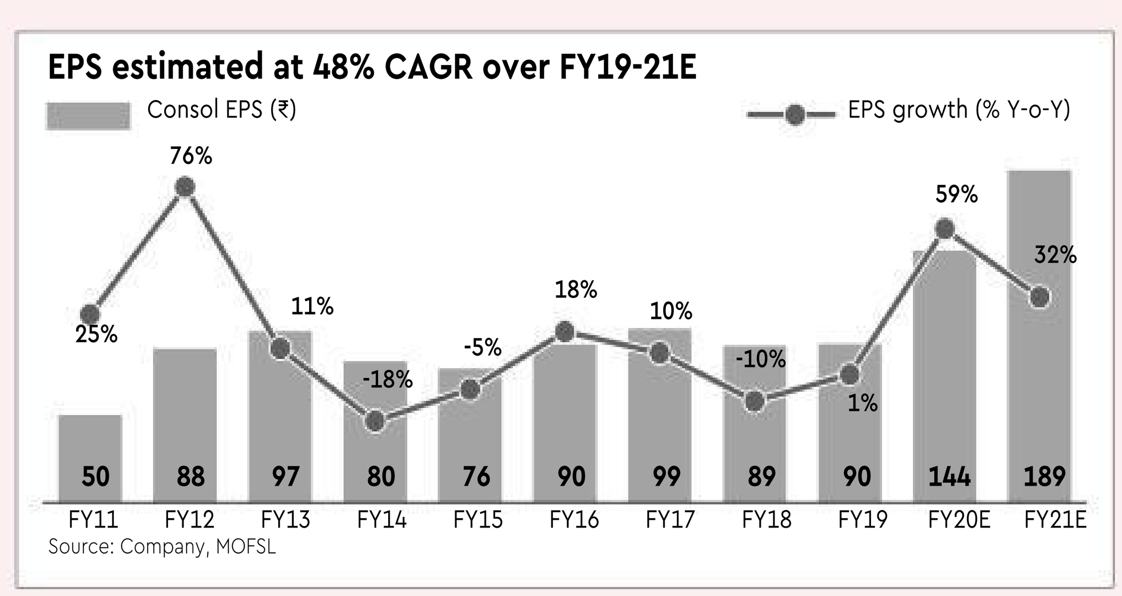
Greater visibility of growth in Q4FY20

Limited capex to reduce debt; EPS CAGR of 48% estimated over FY19-21; valuations are supportive; 'Buy' maintained

WE MET ULTRATECH Cement's CFO, Atul Daga for an update on the company's business and growth plans. Key insights highlighted from the meeting:

Demand has been weak: expect recovery from Q4FY20: The past few quarters have witnessed weak overall demand in India due to slow construction activity; however, the North and parts of the South (Tamil Nadu) have fared better. Demand has picked up recently, which has improved visibility of growth in Q4FY20. While overall demand in the country should be better in FY21 (~6% y-o-y), the East should see stronger growth (~10% y-o-y).

Prices lower in the South/East; North/Central-India relatively better: Prices in the South/East have been weak, emanating particularly from weak demand in Andhra Pradesh and Telangana. The eastern region also faced supply pressures as several new capacities got added. However, North and Central-India were relatively better. According to our checks, currently all-India prices are up 5% y-o-y; led by ~10% growth in North/Central-India, while East/South have been nearly flat.



Limited capacity addition on the anvil: UTCEM has announced a 3.4-MMTPA expansion in East India, which should get commissioned in 1HCY21. Besides this, there is no ongoing expansion programme and the company's focus is to sweat existing assets (capacity of 109 MMTPA; 70% current utilisation).

Net debt/Ebitda to decline: Net debt of the company is expected to decline led by limited capex spends and stronger cash flows from the ramp-up in existing capacities. We estimate net debt to decline to ~₹130 bn (1.1x) in FY21 led by strong free cash flow (FCF) of ₹75 bn (~7% yield) in FY21 (v/s ₹20 bn in FY19). Additionally, UTCEM is looking to divest its non-core assets in China and the UAE and to recover loans given to Binani's fiber-glass business, which if successful will help reduce leverage further.

Century– rebranding & revamping of assets to improve margins: The company has already started to turn around its recently acquired Century's (CTIL) assets. While utilisation declined to 48% in Q2FY19 due to weak operations it is expected to improve to ~70% in FY21.

Valuation and view

We reiterate **Buy** on UTCEM based on the following:

■ Market mix has improved post acquisition with North/Central-India (both regions have better utilisation outlook) contributing ~45% to volumes while the share of weaker regions (South/East) has declined.

■ We estimate 26% CAGR for Ebitda and 48% CAGR for EPS over FY19-21. Driven by strong operating cash flows and fall in interest cost, RoE/RoCE should improve by 550bp/420bp to 13.8%/11.2% over FY19-21.

■ Valuation is also supportive at 11x FY21e EV/Ebitda and ~$152/t on EV, which are at ~15% discount to the 10-year average. It is also trading 30% cheaper than its peer, Shree Cements v/s historical average of 10%.

■ We value UTCEM at 14x FY21e EV/Ebitda to arrive at a TP of ₹5,050 (implied EV/t of $185/t on FY21 capacity).

MOTILAL OSWAL

OIL, GAS & CONSUMABLE FUELS

Outlook remains muted in the near term

Supply surplus to persist despite extra cut by OPEC+ cartel; demand growth at eight-year low in CY2019

WE EXPECT CRUDE oil prices to remain muted and range-bound in the near term, as the proposed additional cuts by OPEC+ cartel for Q1CY20 will fall short of providing the desirable balance to the global oil market. IEA expects global oil supply to remain in a surplus to the extent of 0.7 mn b/d in Q1CY20 and 1 mn b/d in Q2CY20 before it balances out during 2HCY20 assuming OPEC+ production cuts are extended through the year and oil demand growth recovers.

Near-term supply surplus to remain despite incremental production cut by OPEC+ cartel

IEA estimates global oil inventories to increase by 0.7 mn b/d in Q1CY20 notwithstanding reduction in supplies by the OPEC+ cartel. At its recent meet, OPEC+ cartel decided to curtail oil production by an incremental 0.5 mn b/d for a period of three months starting January 2020, taking the total production cut to 1.7 mn b/d. Saudi Arabia agreed to cut production further by 0.4 mn b/d taking the cumulative OPEC+ production cut to 2.1 mn b/d. Overall proposed cuts will imply only 0.5 mn b/d of reduction in oil production from the levels achieved in November 2019, as Saudi Arabia had partly reduced production below its earlier committed levels in recent months. The revised deal has also removed condensate production ceiling of 1.5 mb/d for non-OPEC producers, who may increase it. OPEC+ cartel will meet again in early-March 2020 to review their decision.

Proposed cut by OPEC+ to limit oil supply surplus to 0.3 mn b/d in CY2020

Estimated global crude demand, supply and prices, Calendar year-ends, 2017-20e

	2017	2018	2019E	2020E
Demand (mn b/d)				
Total demand	98.0	99.3	100.2	101.5
y-o-y growth	1.5	**1.3**	**1.0**	**1.2**
Supply (mn b/d)				
Non-OPEC	59.9	62.9	64.8	67.0
y-o-y growth	0.8	**3.1**	**1.9**	**2.1**
OPEC				
Crude	32.0	**31.9**	**29.9**	**29.3**
NGLs	5.5	5.5	5.5	5.6
Total OPEC	37.5	37.4	35.4	34.9
Total supply	**97.4**	**100.3**	**100.2**	**101.8**
Total stock chg	(0.6)	**1.0**	**(0.0)**	**0.3**
OPEC crude capacity	34.9	34.9	32.5	33.0
Implied spare capacity	**2.3**	**4.0**	**2.6**	**4.1**

Source: IEA, Kotak Institutional Equities estimates

Growth in US oil production remains robust for now despite deceleration

The US oil production growth remains robust, despite moderating to 1.1 mn b/d currently from 1.9 mn b/d at start of CY2019. Nevertheless, IEA estimates overall liquids production in the US to grow by 1.1 mn b/d in CY2020; EIA estimates a similar growth of 1 mn b/d in overall liquid production versus an average increase of 1.6 mn b/d in CY2019.

Growth in global oil demand decelerated to eight-year low

The growth in global oil demand is expected to slow down to 1 mn b/d in CY2019, the lowest in the past eight years, led by a moderation in economic growth. IEA is still optimistic of a recovery in CY2020 estimating oil demand to grow by 1.2 mn b/d, predicated on IMF's forecast of an increase in world GDP growth to 3.4% in CY2020 from 3% in CY2019.

Oil supply to remain in surplus even if proposed OPEC+ cuts continue

We estimate an oil supply surplus of 0.3 mn b/d in CY2020, assuming (i) IEA's estimates of 1.2 mn b/d of growth in oil demand to 101.5 mn b/d and 2.1 mn b/d of growth in non-OPEC production and (ii) OPEC+ cartel continuing oil production cuts through the year. IEA estimates an oil supply surplus of 0.7 mn b/d in Q1CY20 and 1 mn b/d in Q2CY20 before it declines to ~0.1 mn b/d in Q3CY20 and turns deficit during Q4CY20.

KOTAK INSTITUTIONAL EQUITIES

International

TUESDAY, DECEMBER 31, 2019

A BIGGER PIE

Elizabeth Warren, Democratic Presidential candidate

Rich people may have a whole lot more of a lot of things. But that doesn't mean they should own a bigger piece of our democracy.

Quick View

China's vice premier to sign Phase 1 trade deal in US this week

CHINESE VICE PREMIER Liu He will visit Washington this week to sign a Phase 1 trade deal with the United States, the *South China Morning Post* reported on Monday. "Washington has sent an invitation and Beijing has accepted it," the *SCMP* quoted a source as saying. It said the delegation was likely to stay in the United States for a few days, until the middle of next week.

Putin thanks Trump for helping foil terrorist acts

RUSSIAN PRESIDENT VLADIMIR Putin spoke with President Donald Trump on Sunday to thank him for information that Putin said helped Russia foil terrorist attacks over the New Year's holiday, the Kremlin said. Putin thanked Trump "for information transmitted through the special services that helped prevent the completion of terrorist acts in Russia," the Kremlin said in a brief statement posted on its website.

Grab, Singtel eye Singapore under-banked

SINGAPOREANS STILL WITHOUT good access to financial services will be key to creating a successful digital bank in the country, according to executives from Grab and Singapore Telecommunications. Earlier Monday, Grab and Singtel said they are teaming up to apply for a full digital banking licence before the year-end deadline, jumping aboard a Singapore government initiative to attract technology firms into its financial sector to stimulate innovation and competition.

BoE's Carney says finance must act faster on climate

FINANCIAL SERVICES HAVE been too slow to cut investment in fossil fuels, a delay that could lead to a sharp increase in global temperatures, Bank of England Governor Mark Carney said in an interview broadcast on Monday. Carney is due to become the United Nations' special envoy for climate change next year when he steps down from the central bank.

HITTING THE ROAD

Tesla delivers China-built cars

A Tesla employee proposes to his girlfriend with a China-made Tesla Model 3 filled with flowers at a delivery ceremony in the Shanghai Gigafactory REUTERS

BLOOMBERG
Shanghai, Decemeber 30

TESLA DELIVERED ITS first China-built cars, a milestone for Elon Musk's company as it accelerates a push in the world's largest electric-vehicle market.

The company handed over the first 15 Model 3 sedans assembled at Tesla's new multibillion-dollar Shanghai plant — its first outside the US — to company employees at the facility on Monday. More workers will receive vehicles over the next couple of days, and deliveries to customers will start in January, company officials said at the ceremony. The Chinese plant represents a cornerstone of chief executive officer Musk's plans to make Tesla a truly global carmaker. The company last month announced plans to build a factory in Germany to cater to burgeoning European demand for electric cars.

The China plant could also help Musk build on recent momentum for the company in the world's largest market both for EVs and autos in general. The Model 3 will compete with electric cars from local contenders such as NIO and Xpeng Motors, as well as global manufacturers including BMW and Daimler.

Demand for the locally built Model 3 is "very good," and Tesla is confident it will sell all vehicles manufactured at the site, Allan Wang, general manager of Tesla China, said at the plant. "Our aim is to kill all internal-combustion engine cars."

While deliveries to customers haven't started, Monday's milestone caps several months of wins for Musk.

Tesla-rival Nio posts higher third-quarter deliveries

TESLA-RIVAL NIO on Monday reported more deliveries in its third quarter than in second, sending its US-listed shares up more than 12% in trading before the bell.

The electric-vehicle maker delivered 4,799 vehicles in the quarter ended September 30 compared with 3,553 deliveries in the second quarter of 2019.

Total revenue rose nearly 25% to 1.84 billion yuan ($263.38 million) in the third quarter from 1.47 billion yuan a year earlier. —REUTERS

N Korea weighs 'offensive measures' ahead of year-end deadline for Trump

North Korean leader Kim Jong Un speaks during a Workers' Party meeting in Pyongyang, North Korea

BLOOMBERG
Washington, December 30

KIM JONG UN urged "positive and offensive measures" to bolster North Korea's security, as the Trump administration said it was watching for provocations around the regime's year-end deadline.

Kim issued his call for action during an unusually large and lengthy meeting of North Korea's ruling Workers' Party, which continued behind closed doors Monday in Pyongyang. Donald Trump's national security adviser, Robert O'Brien, who credited the president with persuading Kim to forego a destabilising action during the Christmas holiday, said the administration was monitoring the situation.

"President Trump took a different tack with personal diplomacy, and so far we've had some success," O'Brien said Sunday on *ABC's "This Week"* program. "So perhaps he's reconsidered that, but we'll have to wait and see."

While Christmas came and went without the "gift" North Korea had threatened to deliver to Trump for the holiday, all signals from Pyongyang in recent months have pointed to escalation in the new year. Kim has vowed to take a "new path" in nuclear talks without further U.S. concessions and North Korea promised to issue its "final judgment" on Trump by end of this month.

North Korean state media has so far said little about the ongoing Workers' Party meeting, although the size and duration of the gathering suggested it was the among the most significant since Kim took power in 2011. The North Korean leader was expected to deliver a New Year's address Wednesday, which was being watched even more closely than usual for signs of whether he plans to escalate tensions in the coming months.

During the second day of the party meeting Sunday, Kim made remarks "emphasizing the need to take positive and offensive measures for fully ensuring the sovereignty and security of the country as required by the present situation," the state-run Korean Central News Agency said without elaborating. A spokesman for South Korea's Unification Ministry said the meeting was the largest party gathering held since at least 2013.

"It could be interpreted as North Korea considering 2020 as a very significant year in terms of managing the nation as well as economy construction," said Kim Dong-yub, a professor of North Korean studies at Kyungnam University and a former director of nuclear weapons policy at South Korea's defence ministry. "It could also indicate that the party is considering this year to be a crucial make-or-break point for Kim Jong Un's leadership and the stability of it."

Kim has suspended tests of nuclear weapons and intercontinental ballistic missiles that could deliver a warhead to the US since he began talks with Trump in 2018. But he has also been busy expanding his nuclear arsenal in that time -- rolling out a new line of solid-propellant, nuclear-capable ballistic missiles and producing enough fissile material for about a dozen or so more nuclear bombs, weapons experts have said.

Kim warns top officials of 'grave' economic challenge

NORTH KOREAN LEADER KIM Jong Un has warned top ruling party officials of the "grave situation" facing the nuclear-armed state's economy and called for urgent corrective measures.

His comments, reported Monday by state media, came on the second day of a key party meeting held ahead of a year-end deadline for Washington to shift its stance on stalled nuclear talks with Pyongyang. Kim, who chaired the meeting, said the time had come to bring about a "decisive turn" in the North's economic development. —AF

US sanctions block hurry-up work on Russian gas pipeline

REUTERS
Washington, December 30

ANY COMPANIES THAT rush to finish building a Russian natural gas export pipeline to Germany that came under US sanctions this month risk being penalised, senior US officials said on Sunday.

President Donald Trump signed a bill late this month imposing sanctions on the Nord Stream 2 gas pipeline project led by Gazprom

President Donald Trump signed a bill late this month imposing sanctions on the Nord Stream 2 gas pipeline project led by Gazprom, Russia's state-controlled gas company. The project aims to send gas under the Baltic Sea, bypassing Ukraine and doubling the capacity of the existing line.

The threat of sanctions blocking access to the US financial system forced Allseas, a Swiss-Dutch company that lays deep-sea pipe, to suspend work on the project. All but a 100-mile (160-km) stretch remains to be completed. That short distance and a 30-day "wind-down" period of work stipulated in sanctions, have led to speculation that the pipeline would be finished soon.

But the senior US officials, who spoke on condition of anonymity, rejected the notion that the "good-faith" wind-down period granted companies time to rush to finish Nord Stream 2.

"Good faith wouldn't be hurrying up to lay pipe," one official said.

"Sanctions will be imposed unless they demonstrate good-faith efforts," showing they are pulling out, another official said, adding that the point of the sanctions, spearheaded by Senator Ted Cruz.

Thought it was 'a bad idea': Greta Thunberg's father on her activism

Teen climate activist Greta Thunberg (left) and her father Svante Thunberg

PRESS TRUST OF INDIA
London, December 30

GRETA THUNBERG MAY have become the new global climate icon, but the 16-year-old Swedish teenager struggled with depression for three to four years and received no support from her father for skipping school for activism, a bold decision that has inspired millions to join her in raising awareness on environmental issues.

In an interview to the *BBC*, Greta's father Svante Thunberg said he thought it was "a bad idea" for his daughter to take to the "front line" of the battle against climate change.

Thunberg said he was "not supportive" of his daughter skipping school for the climate strike.

As part of the same broadcast, guest-edited by Greta for *Radio 4's Today* programme, renowned naturalist and broadcaster David Attenborough told her she had "woken up the world" to climate change.

Greta was nominated for this year's Nobel Peace Prize, after spearheading a global movement demanding world leaders take action over climate change.

It led to co-ordinated school strikes across the globe.

GREY AREA

Chinese baby gene editor to be jailed

THE NEW YORK TIMES
Beijing, December 30

A COURT IN China on Monday sentenced He Jiankui, the researcher who shocked the global scientific community when he claimed that he had created the world's first genetically edited babies, to three years in prison for carrying out "illegal medical practices."

In a surprise announcement from a trial that was closed to the public, the court in the southern city of Shenzhen found He guilty of forging approval documents from ethics review boards to recruit couples in which the man had HIV and the woman did not, *Xinhua*, China's official news agency, reported. He had said he was trying to prevent HIV infections in newborns, but the

He Jiankui says he was trying to prevent HIV infections in newborns

state media on Monday said he deceived the subjects and the medical authorities alike.

He, 35, sent the scientific world into an uproar last year when he announced at a conference in Hong Kong that he had created the world's first genetically edited babies — twin girls. On Monday, China's state media said his work had resulted in a third genetically edited baby, who had been previously undisclosed.

He pleaded guilty and was also fined $430,000, according to *Xinhua*. In a brief trial, the court also handed down prison sentences to two other scientists who it said had "conspired" with him: Zhang Renli, who was sentenced to two years in prison, and Qin Jinzhou, who got a suspended sentence of one and a half years. The court held that the defendants, "in the pursuit of fame and profit, deliberately violated the relevant national regulations on scientific and medical research and crossed the bottom line on scientific and medical ethics," *Xinhua* said.

New Year's fireworks okayed in Sydney amid wildfire risk

ASSOCIATED PRESS
Perth, December 30

SYDNEY WILL SET off its iconic New Year's fireworks display after being granted an exemption to a total fire ban Monday as other Australian cities cancelled their celebrations due to the worsening wildfire risk in the oppressive summer heat.

Pressure had built for Sydney's spectacle to be scrapped before the New South Wales Rural Fire Service approved the event on Monday. The popular celebrations are expected to attract 1 million people to Sydney Harbour's famous foreshore and generate 130 million Australian dollars ($91 million) for the state's economy. An estimated 1 billion people worldwide watched last year's display on television.

Australia's most populous state has bore the brunt of wildfires that have killed nine people and razed more than 1,000 homes across the country in the past few months.

COLD CALCULATION?

- Sydney's celebrations likely to attract **1 million** visitors
- Events expected to generate **$91 million** in revenues
- **1 billion** people watched last year's display on television
- Wildfires have killed **9 people** across Australia in past few months

SELECTIONS FROM

The Economist

BUSINESS
SCHUMPETER

The buzz around AirPods

Why is the ear worth so much less than the eye?

UNTIL RECENTLY THE ear was a part of the body relatively unconquered by commerce. The neck long ago fell to the necklace, the ruff and the tie. The wrist surrendered to the bracelet and the watch. The eye sold out to spectacles, shades and mascara. But the ears were a low-rent zone for business, good mostly for cheap jewellery, earphones and hearing aids. Walk around any big city and it is clear how quickly that is changing—thanks to headphones, earbuds and a torrent of new stuff blaring through them.

Apple, as usual, caught the trend early. The number of its AirPods, mocked for looking like broken q-tips when introduced in 2016, is estimated to have doubled to 60m pairs this year. They have spawned a wave of imitators, from Amazon's black Echo Buds to Xiaomi's Airdots (popular in China) and Microsoft's Surface Earbuds—which creepily link directly to its Office software, including PowerPoint. The devices grow symbiotically with another craze: for streamed audio content in addition to music, such as podcasts. Apple helped popularise this genre. But Spotify, a Swedish streaming service, and big American broadcasting conglomerates, such as Liberty Media, are muscling in.

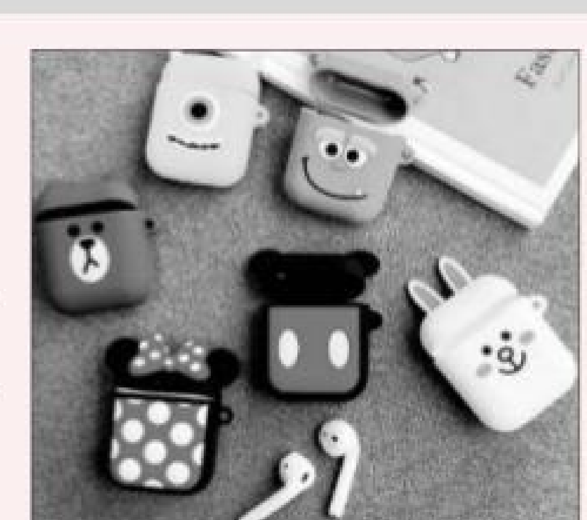
Industry executives contend that audio is undervalued—especially compared with video. As Spotify's co-founder, Daniel Ek, said earlier this year, time spent on each is about the same, but the video industry is worth $1trn versus $100bn for audio. "Are our eyes really worth ten times more than our ears?" he asks.

The eyeball plainly still dominates. The number of screens dwarfs that of "hearables". Between them, just three Tinseltown groups—Warner Media, Disney and Netflix—have spent as much as $250bn on visual programming since 2010. Audio, including music, comes nowhere near. That said, the battle to "monetise the ear", as Greg Maffei, Liberty Media's boss, puts it, is in full swing. These days no one would lend Mark Antony theirs; they would rent or sell them.

Take hardware first. Apple does not release figures for any of its "wearables", but AirPods are the fastest-growing of all of its products, with profit margins above 50%, says Dan Ives of Wedbush Securities, an investment firm. With the new noise-cancelling AirPod Pro, which costs around $250 a pair, he reckons Apple's ear-ware may generate up to $15bn of sales next year. That would be about four times the revenues of a headphone veteran like Bose. Horace Dediu, a technology analyst, predicts that this quarter AirPod sales could exceed those of the iPod at its peak around Christmas 2007. With iPhone sales slowing, AirPods are a new way of generating revenue from Apple's legions of loyalists; they even allow Siri, the company's voice-activated virtual assistant, to worm her way closer to listeners' brains. The overall market is spreading to the masses, too. Some wireless earbuds sell for as little as $20.

Audible content is likewise undergoing a mini-revolution. For the third year in a row, revenues from recorded music in America grew by double digits in 2018, largely thanks to subscriptions to Spotify, Apple Music and the like. Podcasts have grown both more numerous and more compelling. This year Spotify has set out to rule the roost in this medium, which Apple first streamed via iTunes in the mid-2000s. The Swedish firm acquired Gimlet, Anchor and Parcast, three firms that serve different aspects of the podcast market; it now hosts a staggering 500,000 podcasts; hours spent listening to them grew by 39% year-on-year in the third quarter. In October it boasted that the conversion of podcast listeners to paying subscribers is "almost too good to be true".

The battleground stretches beyond earbuds to the car radio. On December 12th the Wall Street Journal reported that Siriusxm, a satellite-radio arm of Liberty Media, had sought clearance from the Department of Justice to raise its stake in iHeartMedia, America's largest radio broadcaster and a big podcasting platform. The aim would be to compete more effectively against Spotify and other audio-streaming services both for subscribers and advertising revenues. Previously Maffei has talked excitedly about podcasting.



Chinese rip-offs of AirPods

The proliferation of digital-streaming devices has spawned the growth of other listening formats. This year, for the first time, the Audio Publishers Association, an industry group, reported that half of Americans listened to an audiobook, a trend it said was boosted by the popularity of digital-streaming devices, as well as podcasts. Audible, owned by Amazon, is the market leader. Malcolm Gladwell, an American author and podcaster, has turned the audio version of his latest book "Talking to Strangers", into what seems like a supersized podcast, with his own narration, actors and music. Romantics see it as a return to the oral tradition.

Though small, some of this spoken word has better economics than the sung variety. As Ben Thompson of Stratechery, a tech newsletter, has pointed out, the more music Spotify's customers download, the more its costs rise because of payments to record labels. Podcasts are different. Spotify has more bargaining power over myriad individual podcasters jostling to reach its 248m-odd users than it does over record labels. It also buys its exclusive podcasts at a fixed cost. The problem is advertising. Ad revenues are paltry. In America terrestrial radio still accounts for 82% of an audio ad market valued at more than $17bn. Siriusxm and Spotify have just a sliver of the pie.

Apple has the clout to make the industry more profitable. It could use its strong position with AirPods, Apple Music, podcasts and Siri to create a swirl of audio content around the iPhone—an ecosystem in the jargon—and take the lion's share of advertising. For the time being, though, it appears to be more focused on creating video content, in its battle for eyeballs with Netflix. That is lucky for Spotify. It gives it a bigger opening in the audio market. It is good for listeners, too. The last thing anyone wants is a Big Tech behemoth controlling the next best thing to a brain implant.

Gen Bipin Rawat appointed India's first Chief of Defence Staff a day before retirement

ARMY CHIEF GENERAL Bipin Rawat was on Monday appointed India's first Chief of Defence Staff with a mandate to bring in convergence in functioning of the Army, the Navy and the Indian Air Force and bolster the country's military prowess.

His appointment to the newly created post came a day before he was due to retire following a three-year tenure as the Army Chief during which he initiated a series of reforms in the 1.3 million-strong force besides following a policy of "hot pursuit" in dealing with cross border terrorism in Jammu and Kashmir.

According to a government order, Gen Rawat has been appointed as the CDS with effect from December 31.

"Government has decided to appoint Gen Rawat as the Chief of Defence Staff with effect from December 31 and until further orders and extension in service of Gen Rawat with effect from December 31 and till the period he holds the office of CDS," the defence ministry said.

Gen Rawat will be able to serve as CDS for a period of up to three years. after the government amended the rules. **—PTI**

BSE Limited

EXPERIENCE THE NEW

25th Floor, P. J. Towers, Dalal Street, Mumbai – 400 001
Tel. No.22721233 / 34 Fax No.22721003 www.bseindia.com
CIN No. : U67120MH2005PLC155188

NOTICE

Notice is hereby given that the following trading member of BSE Limited (Exchange) has requested for the surrender of its trading membership of the Exchange :

Sr.No.	Name of the Trading Member	SEBI Regn. No.	Voluntary Closure of business w.e.f.
1	MULTI SECURITIES PVT. LTD.	INZ000286035	15/10/2019
2	GLOBAL VISION SECURITIES PVT. LTD.	INZ000204136	01/11/2019

The constituents of the above mentioned trading member are hereby advised to lodge complaints, if any, immediately (in the prescribed complaint form) within 3 (three) months from the date of this notification. Kindly note that no such complaints filed beyond the aforesaid period shall be entertained by the Exchange against the above mentioned trading member and it shall be deemed that no such complaints exist against the above mentioned trading member, or such complaints, if any, shall be deemed to have been waived. The complaints filed against the above mentioned trading member will be dealt with in accordance with the Rules, Bye-laws and Regulations of the Exchange. All the relevant papers may be sent to BSE Ltd., Department of Investor Services, Dalal Street, Fort, Mumbai – 400 001. (The complaint forms can be downloaded from www.bseindia.com > Investors > Investors Grievances > (b) Investors' Grievances against BSE's Trading Members > Complaint Form OR may be obtained from the Exchange office at Mumbai and also at the Regional Offices).

For BSE Limited
Sd/-
Sr. General Manager
Membership Operations

Place : Mumbai
Date : 31st December, 2019

DELHI JAL BOARD : GOVT. OF NCT OF DELHI
OFFICE OF THE EXECUTIVE ENGINEER (SOUTH) II
JAL SADAN: LAJPAT NAGAR: NEW DELHI
NIT No. 48/S-II/2019-20
Press Tender

S. No.	Name of work	Reserve price	Date of release of tender in e-procurement solution	Last Date and time for download & RTGS through e-procurement solution
1.	Trapping of discharge coming into Barrapullah drain from Nizamuddin West and Temple near Dhobi Ghat Bhogal under EE(S) II (AC-41 Jangpura) Re-invite	4238080/-	2019_DJB_186601_7 27.12.2019	16.1.2020 upto 2.00 PM
2.	Replacement of water line from Mathura Road to Basti Nizamuddin under EE(S) II (AC-41 Jangpura)	4049670/-	2019_DJB_186601_8 27.12.2019	16.1.2020 upto 2.00 PM

Further details in this regard can be seen at **govtprocurement.delhi.gov.in.**

ISSUED BY P.R.O. (WATER)
Advt. No. J.S.V. 743/2019-20

Sd/-
EXECUTIVE ENGINEER (SOUTH) II

Motilal Oswal Asset Management Company Limited

MOTILAL OSWAL Mutual Fund

Registered & Corporate Office : 10th Floor, Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai - 400 025
• **Toll Free No.** : +91 8108622222, +91 22 40548002 • **Email** : mfservice@motilaloswal.com
• **CIN No.**: U67120MH2008PLC188186
• **Website:** www.motilaloswalmf.com and www.mostshares.com

NOTICE

Notice Cum Addendum to the Scheme Information Document (SID) And Key Information Memorandum (KIM) of Motilal Oswal Mutual Fund (MOMF)

Unitholders are hereby informed that Motilal Oswal Asset Management Company Limited, the Investment Manager to Motilal Oswal Mutual Fund (MOMF) has decided to introduce an additional facility of transacting in the Units of all eligible Schemes of MOMF through the platform as may be provided by Indian Commodity Exchange Ltd (ICEX) with effect from **December 31, 2019.** Investors desirous of transacting through ICEX shall submit applications to registered stock brokers or distributors registered with ICEX.

This notice cum addendum forms an integral part of the Scheme Information Document (SID) And Key Information Memorandum (KIM) of the eligible Scheme(s) of MOMF. All other contents remain unchanged.

For **Motilal Oswal Asset Management Company Limited**
(Investment Manager for Motilal Oswal Mutual Fund)
Sd/-
Aashish P Somaiyaa
Managing Director & Chief Executive Officer

Place : Mumbai
Date : December 30, 2019

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

MIRAE ASSET Mutual Fund

NOTICE NO. AD/35/2019
ANNOUNCEMENT OF RESULT OF POSTAL BALLOT / ELECTRONIC VOTING

Investors are hereby informed that Mirae Asset Global Investments (India) Private Limited ("**MAGI India**"), acting as the asset management company of Mirae Asset Mutual Fund ("**MAMF**"), vide its Notice dated November 25, 2019 ("**Notice**"), had intimated that consent of the unitholders would be sought by way of Postal Ballot for the ratification of proposed change in the asset management company of MAMF from MAGI India to its wholly owned subsidiary, Mirae Asset Investment Managers (India) Private Limited ("**Mirae AMC**") due to internal restructuring.

Investors are informed that CS A. Sekar was appointed as the independent third party scrutinizer under whose supervision the counting of the Postal Ballot / Electronic votes was conducted.

On the basis of the Report dated December 30, 2019 submitted by CS A. Sekar and in accordance with the disclosures made to the unitholders in the written communication, the results of the Postal Ballot / Electronic Voting are as follows:

Sr. No.	Particulars	No. of Postal Ballot Forms / Electronic Votes	No. of Folios (Each Folio Bears 1 Vote)
1.	Total Postal Ballots / Electronic Votes Received during the voting period	2454	2467
2.	Invalid Postal Ballot Form / Electronic Votes#	2	2
3.	Total Valid Postal Ballot Forms / Electronic Votes (1) - (2)	2452	2465
4.	Postal Ballot / Electronic Votes - In favour	2070	2081
5.	Postal Ballot / Electronic Votes - Against	382	384
6.	No signed and duly filled Postal Ballot Form received or no Electronic Votes received*	21,40,154	
	Total % of Votes (Folios wherein consent / deemed consent received)	99.98%	

* Since with respect to 21,40,154 Folios, no signed and duly filled in Ballot Paper or electronic votes were received by the Registrar on or before close of business hours on December 28, 2019 it will be deemed that unitholders with respect to such Folios have consented to the proposed change of asset management company of MAMF from MAGI India to Mirae AMC.

\# *Since with respect to 2 Folios, no valid vote was received either through Ballot Paper or electronically by the Registrar on or before close of business hours on December 28, 2019, it will be deemed that unitholders with respect to such Folios do not have any objection to the proposed change of asset management company of MAMF from MAGI India to Mirae AMC.*

As more than 50% of the total valid votes received are in favour of the proposed change in asset management company of MAMF from MAGI India to Mirae AMC, as per the aforementioned Notice, such change is hereby declared as duly approved / ratified by requisite majority of the unitholders.

For and on behalf of the Board of Directors of
MIRAE ASSET GLOBAL INVESTMENTS (INDIA) PVT. LTD.
(Asset Management Company for Mirae Asset Mutual Fund)

Place : Mumbai
Date : December 30, 2019

Sd/-
AUTHORISED SIGNATORY

MIRAE ASSET MUTUAL FUND (Investment Manager: Mirae Asset Global Investments (India) Pvt. Ltd.)
Registered & Corporate Office: 606, Windsor, Off CST Road, Kalina, Santacruz (E), Mumbai - 400098.
☎ 1800 2090 777 (Toll free), ✉ customercare@miraeasset.com www.miraeassetmf.co.in
CIN of AMC - U65993MH2006FTC165663

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

MANALI PETROCHEMICALS

Manali Petrochemicals Limited
Registered Office: "SPIC House", 88, Mount Road, Guindy, Chennai - 600 032.
CIN: L24294TN1986PLC013087; Telefax: 044-2235 1098
Email: companysecretary@manalipetro.com; Website: www.manalipetro.com

NOTICE

Request has been received for issue of Duplicate Share Certificates in lieu of Certificate reported lost and not traceable as per details given below:

Folio No.	Name of the Shareholder	Certificate No.	Distinctive No.	No. of Shares
B0072075	Mukesh P Shah	21558	31871417-31872166	750
C0040512	Binay Lakra	39273	36701025-36701624	600

Objections if any to the above shall be lodged with the Company within 15 days failing which Company will proceed to issue the duplicate share certificates.

For Manali Petrochemicals Limited
R. Kothandaraman
Company Secretary

Place : Chennai
Date : 30.12.2019

IDFC MUTUAL FUND

Notice - Cum - Addendum No. 39 of 2019

Addendum to the Statement of Additional Information (SAI) of IDFC Mutual Fund

Appointment of Key Personnel of the AMC:

NOTICE is hereby given that Ms. Nishita Doshi is being appointed as a Key Personnel in Fund Management Team of IDFC Asset Management Company Limited ('the AMC') with effect from December 30, 2019. Following details of Ms. Nishita Doshi shall stand inserted under the section 'Information on Key Personnel of the AMC' in SAI of IDFC Mutual Fund ('the Fund'):

Name & Designation	Age & Qualification	Brief Experience (past 10 years)
Ms. Nishita Doshi (Manager - Fund Management)	24 Years / Chartered Accountant (ICAI), CFA Level III cleared (CFA Institute), B.Com from Mumbai University	Ms. Nishita Doshi joined IDFC Asset Management Company Limited in December 2019 in Equity Investments team. In her role she will be responsible for analyzing various sectors. Prior to joining IDFC AMC, Ms. Nishita was associated with Prabhudas Lilladher Pvt. Ltd. as a Research Associate from December 2017 to December 2019. (Total experience - 2 years)

All the other provisions of the SAI of the Fund except as specifically modified herein above, read with the addenda issued from time to time, remain unchanged.

This addendum forms an integral part of the SAI of the Fund, read with the addenda issued from time to time.

Date : December 30, 2019
Place : Mumbai

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

NOTICE

Mutual Fund

Principal

Principal Asset Management Pvt. Ltd.
(Formerly known as Principal Pnb Asset Management Company Private Limited)
(CIN : U25000MH1991PTC064092)
Regd. Off.: Exchange Plaza, 'B' Wing, Ground Floor, NSE Building, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051. • Toll Free: 1800 425 5600 • Fax: (022) 6772 0512
E-mail: customer@principalindia.com • Visit us at: www.principalindia.com

NOTICE-CUM-ADDENDUM TO THE STATEMENT OF ADDITIONAL INFORMATION (SAI), SCHEME INFORMATION DOCUMENT (SID) & KEY INFORMATION MEMORANDUM (KIM) OF THE SCHEMES OF PRINCIPAL MUTUAL FUND [NO. 30/2019]

Change in the address of Investor Service Centers (ISCs) of KFin Technologies Private Limted, the Registrar and Transfer Agent ("R&T") to Principal Mutual Fund:

Below is the list of Change in the address of ISCs of R&T

Branch	Effective Date	Existing Address	Old Phone Number - 1	Old Phone Number - 2	New Address	New Phone Number - 1	New Phone Number - 2
Ahmedabad	15th January, 2020	Kfin Technologies Private Limited, 201/202, Shail Complex Opp: Madhusudan House, B/H Girish Cold Drink, Off C G Road, Navrangpura, Ahmedabad - 380006.	9081903021	9081903022	Kfin Technologies Private Limited, Office No. 401, on 4th Floor, ABC-I, Off. C. G. Road, Ahmedabad-380009.	9081903021	9081903022
Jamshedpur	31st January, 2020	Kfin Technologies Private Limited, 2nd Floor, R R Squaresb Shop Area, Near Reliance Foot Print & Hotel- BS Park Plaza Main Road, Bistupur, Jamshedpur - 831001.	0657-6655003/ 6655004/ 6655005/ 6655006/ 6655007	0657-6655003/ 6655004/ 6655005/ 6655006/ 6655007	Kfin Technologies Private Limited, Madhukunj, 3rd Floor, No. 1 Q Road, Sakchi, Bistupur, East Singhbhum; Jamshedpur - 831001, Jharkhand.	0657-6655003/ 6655004/ 6655005/ 6655006/ 6655007	0657-6655003/ 6655004/ 6655005/ 6655006/ 6655007
Ludhiana	3rd Feb, 2020	Kfin Technologies Private Limited, SCO - 136, 1St Floor, Above Airtel Showroom, Feroze Gandhi Market, Ludhiana - 141001.	0161-4648747	-	Kfin Technologies Private Limited, Second floor, SCO 122, Above HDFC Mutual Fund ,Feroz Gandhi Market, Ludhiana.	0161-4648747	-
Asansol	31st December, 2019	Kfin Technologies Private Limited, 114/71 G T Road, BHANGA, PANCHIL NEAR NOKIA CARE-Asansol - 713303.	0341-2220077	-	Kfin Technologies Private Limited, 112/N, G. T. ROAD, BHANGA PANCHIL; Asansol, Pin: 713303; Paschim Bardhaman, West Bengal.	0341-2220077	-
Siliguri	31st January, 2020	Kfin Technologies Private Limited, Nanak Complex Sevoke Road-Siliguri - 734001.	0353-2522579	-	Kfin Technologies Private Limited, 2nd Floor, Nanak Complex, Sevoke Road, Siliguri-734001.	0353-2522579	-
Bhilai	1st January, 2020	Kfin Technologies Private Limited, Shop No -1, First Floor Plot No -1, Commercial Complex Nehru Nagar - East-Bhilai - 490020.	0788-2289499 / 2295332	-	Kfin Technologies Private Limited, Office No. 2, 1st Floor; Plot No. 9/6, Nehru Nagar [East], Bhilai, Durg, Pin 490 020; Chhattisgarh.	0788-2289499 / 2295332	-
Shimla	1st January, 2020	Kfin Technologies Private Limited, Triveni BuildingBy Pas Chowk Khallini-Shimla - 171002.	7518801849	-	Kfin Technologies Private Limited, 1st Floor, Hills View Complex, Near Tara Hall, Shimla – 171 001, Himanchal Pradesh.	7518801849	-
Haldwani	6th January, 2020	Kfin Technologies Private Limited, Above Kapilaz Sweet House, Opp LIC Building, Pilikothi, KALADHUNGI ROAD, Haldwani - 263139.	7518801819	-	Kfin Technologies Private Limited, Shop No. 5, KMVN Shoping Complex, Haldwani – 263139, Uttarakhand.	7518801819	-
Karimnagar	1st January, 2020	Kfin Technologies Private Limited, 2-10-1298,2nd floor Rathnam Arcade Jyothi Nagar, Karimnagar - 505001.	0878-2244773	-	Kfin Technologies Private Limited, 2nd Shetter, HNo. 7-2-607 Sri Matha Complex, Mankammathota, Karim Nagar, Telangana, 505001.	0878-2244773	-
Gonda	6th January, 2020	Kfin Technologies Private Limited, Shri Market Sahabgunj Station Road, Gonda - 271001.	7518801815	-	Kfin Technologies Private Limited, House No. 782, Shiv Sadan, ITI Road, Near Raghukul Vidya Peeth, Civil Lines, Gonda – 271 001, Uttar Pradesh.	7518801815	-
Gaya	6th January, 2020	Kfin Technologies Private Limited, 54 Lal Kothi Compound, Shree Krishna Road, 2nd Floor, North Side, Near Royal Surya Hotel, Gaya - 823001.	0631-2220065	-	Kfin Technologies Private Limited, Hotel Skylark; Swaraipuri Road, Gaya- 823001, Bihar.	0631-2220065	-
Jamnagar	6th January, 2020	Kfin Technologies Private Limited, 136-137-138 Madhav Palaza Opp SBI Bank Nr Lal Bunglow, Jamnagar - 361001.	0288 3065810	0288-2558887	Kfin Technologies Private Limited, 1st Floor Madahv Plazza , Opp SBI Bank, Nr. Lal Bunglow Jamnagar, Gujarat.	0288 3065810	0288-2558887
Bangalore	16th January, 2020	Kfin Technologies Private Limited, NO-59, SKANDA |PUTTANNA ROAD, BASAVANGUDI, BANGALORE -560004.	080-26602852	080-26609625	Kfin Technologies Private Limited, OLD NO : 35 , NEW NO-59, 1st Floor KAMALA NIVAS, PUTTANNA ROAD, BASAVANGUDI, BANGALORE- 560004.	080-26602852	080-26609625

Contents hereof shall form an integral part of the SID/SAI/KIM of the Scheme(s) of Principal Mutual Fund as amended from time to time and all other features / terms and conditions thereof remain unchanged.

For further information/assistance, do visit us at www.principalindia.com or e-mail us at customer@principalindia.com or call on our Toll Free: 1800 425 5600.

For **Principal Asset Management Pvt. Ltd.**
(Formerly known as Principal Pnb Asset Management Company Private Limited)
Sd/-
Authorised Signatory

Place : Mumbai
Date : December 30, 2019

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

DETAILED PUBLIC STATEMENT IN TERMS OF REGULATIONS 3(1), 4, 5(1), READ WITH 13(4), 14(3) AND 15(2) AND OTHER APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011, TO THE PUBLIC SHAREHOLDERS (AS DEFINED BELOW) OF

ACCELYA SOLUTIONS INDIA LIMITED

HAVING ITS REGISTERED OFFICE AT ACCELYA ENCLAVE, 685/2B & 2C, 1ST FLOOR, SHARADA ARCADE, SATARA ROAD, PUNE – 411 037.
TEL: +91 20 6608 3777 AND FAX: +91 20 2423 1639. WEBSITE: https://www.accelya.com/

OPEN OFFER FOR ACQUISITION OF UP TO 3,782,966 FULLY PAID UP EQUITY SHARES OF FACE VALUE OF INR 10 EACH ("OFFER SHARES"), REPRESENTING 25.34% OF THE VOTING SHARE CAPITAL (AS DEFINED BELOW) OF ACCELYA SOLUTIONS INDIA LIMITED ("TARGET COMPANY") FROM ALL THE PUBLIC SHAREHOLDERS (AS DEFINED BELOW) OF THE TARGET COMPANY BY AURORA UK BIDCO LIMITED ("ACQUIRER") TOGETHER WITH VISTA EQUITY PARTNERS PERENNIAL, L.P. ("PAC 1"), VISTA EQUITY PARTNERS PERENNIAL A, L.P. ("PAC 2") AND ACCELYA TOPCO LIMITED ("PAC 3"), (COLLECTIVELY REFERRED TO AS THE "PACS"), IN THEIR CAPACITY AS THE PERSONS ACTING IN CONCERT WITH THE ACQUIRER ("OPEN OFFER" OR "OFFER").

This detailed public statement ("DPS") is being issued by JM Financial Limited, the manager to the Open Offer (the "**Manager to the Offer**"), for and on behalf of the Acquirer and the PACs, in compliance with Regulations 3(1), 4, 5(1) read with 13(4), 14(3) and 15(2) and other applicable provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ("**SEBI (SAST) Regulations**"), pursuant to the public announcement dated November 19, 2019 ("**PA**") issued in terms of Regulation 3(1), 4 and 5 (1) of SEBI (SAST) Regulations and submitted to the BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**") on November 19, 2019 in accordance with Regulation 14 (1) of the SEBI (SAST) Regulations and was sent to the registered office of the Target Company on November 20, 2019 and was filed with the Securities and Exchange Board of India ("**SEBI**") on November 20, 2019. Further a corrigendum to the PA was issued by the Manager on behalf of the Acquirer and the PACs on November 22, 2019 and its copy was filed on November 22, 2019 with the Stock Exchanges and sent to the Target Company at its registered office and to SEBI in accordance with SEBI (SAST) Regulations.

For the purposes of this DPS, the following terms would have the meaning assigned to them herein below:

"**EPS**" shall mean earnings per share.

"**Equity Shares**" shall mean fully paid up equity shares of face value of INR 10 each of Target Company.

"**Public Shareholders**" shall mean all the shareholders of the Target Company who are eligible to tender their shares in the Open Offer, excluding: (i) the promoters, members of the promoter group of the Target Company; (ii) the Acquirer and the PACs; (iii) parties to the SPA (defined below); and (iv) persons deemed to be acting in concert with such parties.

"**SEBI Act**" shall mean Securities and Exchange Board of India Act, 1992 and subsequent amendments thereto.

"**Tendering Period**" has the meaning ascribed to it under the SEBI (SAST) Regulations.

"**Voting Share Capital**" shall mean the total voting equity share capital of the Target Company as on the 10th working day from the closure of the tendering period for the Offer (such Voting Share Capital excludes 1,100 equity shares of the Target Company which were forfeited).

"**Working Day**" means any working day of SEBI.

I. ACQUIRER, PACS, TARGET COMPANY AND OPEN OFFER

1. Details of Aurora UK Bidco Limited ("Acquirer")

i. The Acquirer is a private limited company. It was incorporated on November 12, 2019 as Aurora UK Bidco Limited under the laws of Jersey. Its registered office is located at 22 Grenville Street, St Helier, Jersey, Channel Islands, JE4 8PX. There has been no change in the name of Acquirer since its incorporation.

ii. The issued and paid up share capital of the Acquirer amounts to USD 100 and consists of 100 ordinary fully paid up equity share of USD 1.00 each. Aurora UK Midco 2 Limited holds 100% of the issued share capital of the Acquirer and is indirectly controlled by the PAC 1 and PAC 2.

iii. Acquirer is a part of Vista Equity Partners Group.

iv. The Acquirer is an investment holding company. The Acquirer has not made any previous investments.

v. The shares of the Acquirer are not listed on any stock exchange in India or abroad.

vi. Pursuant to the completion of the Underlying Transaction (as defined below), Accelya Holding World S.L.U., a wholly owned indirect subsidiary of the Acquirer and PAC 3, holds 11,143,295 equity shares in the Target Company constituting 74.66% of the Voting Share Capital. The Acquirer has not directly acquired any Equity Shares of the Target Company between the date of the PA i.e. November 19, 2019 and the date of this DPS.

vii. Other than as mentioned in paragraph 1(vi), as of the date of this DPS, Acquirer and the directors and key employees of the Acquirer do not have any relationship or interest in the Target Company. There are no directors on the board of the Target Company representing the Acquirer.

viii. The Acquirer has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.

ix. Acquirer was incorporated on November 12, 2019 and this being its first year of operations, no financial statements of Acquirer are available as on date.

2. Details of Vista Equity Partners Perennial, L.P. ("PAC 1")

i. PAC 1 is an exempted limited partnership which was registered on October 30, 2017 as Vista Equity Partners Perennial, L.P. under the laws of Cayman Islands. Its registered office is located at C/O Maples and Calder, PO Box 309, Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands, KY1-1104. There has been no change in the name of PAC 1 since its incorporation.

ii. PAC 1 is controlled by its general partner VEPP GP, L.P., which is controlled by its general partner, VEPP UGP, Ltd.

iii. PAC 1 along with PAC 2 jointly and indirectly controls Aurora UK Midco 2 Limited, which holds 100% of the issued share capital of the Acquirer.

iv. PAC 1 is in the business of investment holding and related activities with USD 642.70 million (INR 45,773.99 million) of commitments as at September 30, 2019. PAC 1 has been established to invest in enterprise software, data, and technology-enabled organizations and forms part of Vista Equity Partners' permanent capital strategy. PAC 1's portfolio currently consists only of the Accelya group. PAC 1 is a part of the Vista Equity Partners Group.

v. The shares of PAC 1 are not listed on any stock exchange in India or abroad.

vi. Pursuant to the completion of the Underlying Transaction (as defined below), Accelya Holding World S.L.U., a wholly owned indirect subsidiary of the Acquirer and PAC 3 which is jointly controlled by PAC 1 and PAC 2, holds 11,143,295 equity shares in the Target Company constituting 74.66% of the Voting Share Capital. PAC 1 has not directly acquired any Equity Shares of the Target Company between the date of the PA i.e. November 19, 2019 and the date of this DPS.

vii. Neither PAC 1, nor its general partner or key employees, have any relationship or interest in the Target Company except for the Underlying Transaction. Further, since PAC 1 is an exempted limited partnership, PAC 1 does not have any directors. Hence, there are no common directors on the board of PAC 1 and the Target Company.

viii. PAC 1 has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.

ix. PAC 1 was registered on October 30, 2017 and its operations commenced on November 21, 2018. The key financial information of PAC 1 as at and for the period ended December 31, 2018 extracted from the audited financial statements for the respective period/ financial year, and for the period from January 1, 2019 to October 31, 2019 which have been certified by the statutory auditors, are as follows:

In millions (except per share data)

Particulars	For the period from January 1, 2019 to October 31, 2019		For the period from November 21, 2018 to December 31, 2018	
	USD	INR	USD	INR
Total Income	-	-	-	-
Net Income / (Loss)	(1.28)	(91.20)	(1.82)	(129.54)
EPS	NA	NA	NA	NA
Total Partners' Capital / (Deficit)	(3.10)	(220.74)	(1.82)	(129.54)

3. Details of Vista Equity Partners Perennial A, L.P. ("PAC 2")

i. PAC 2 is an exempted limited partnership. It was registered on February 15, 2018 as Vista Equity Partners Perennial A, L.P. under the laws of Cayman Islands. Its registered office is located at C/O Maples and Calder, PO Box 309, Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands, KY1-1104. There has been no change in the name of PAC 2 since its incorporation.

ii. PAC 2 is controlled by its general partner VEPP GP, L.P., which is controlled by its general partner, VEPP UGP, Ltd.

iii. PAC 2 along with PAC 1 jointly and indirectly controls Aurora UK Midco 2 Limited, which holds 100% of the issued share capital of the Acquirer.

iv. PAC 2 is in the business of investment holding and related activities with USD 897.96 million (INR 63,953.26 million) of commitments as at September 30, 2019. PAC 2 has been established to invest in enterprise software, data, and technology-enabled organizations and forms part of Vista Equity Partners' permanent capital strategy. PAC 2's portfolio currently consists only of the Accelya group. PAC 2 is a part of the Vista Equity Partners Group.

v. The shares of PAC 2 are not listed on any stock exchange in India or abroad.

vi. Pursuant to the completion of the Underlying Transaction (as defined below), Accelya Holding World S.L.U., a wholly owned indirect subsidiary of the Acquirer and PAC 3 which is jointly controlled by PAC 1 and PAC 2, holds 11,143,295 equity shares in the Target Company constituting 74.66% of the Voting Share Capital. PAC 2 has not directly acquired any Equity Shares of the Target Company between the date of the PA i.e. November 19, 2019 and the date of this DPS.

vii. Neither PAC 2, nor its general partner or key employees, have any relationship or interest in the Target Company except for the Underlying Transaction. Further, since PAC 2 is an exempted limited partnership, PAC 2 does not have any directors. Hence, there are no common directors on the board of PAC 2 and the Target Company.

viii. PAC 2 has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.

ix. PAC 2 was registered on February 15, 2018 and its operations commenced on November 21, 2018. The key financial information of PAC 2 as at and for the period ended December 31, 2018 extracted from the audited financial statements for the respective period/ financial year, and for the period from January 1, 2019 to October 31, 2019 which have been certified by the statutory auditors, are as follows:

In millions (except per share data)

Particulars	For the period from January 1, 2019 to October 31, 2019		For the period from November 21, 2018 to December 31, 2018	
	USD	INR	USD	INR
Total Income	-	-	-	-
Net Income / (Loss)	(2.03)	(144.27)	(2.26)	(161.14)
EPS	NA	NA	NA	NA
Total Partners' Capital / (Deficit)	(4.29)	(305.41)	(2.26)	(161.14)

4. Details of Accelya Topco Limited ("PAC 3")

i. PAC 3 is a private limited company. It was incorporated on March 19, 2014 as Canary Topco Limited under the laws of England and Wales. Its registered office is located at Acre House, 11/15 William Road, London, United Kingdom, NW1 3ER. On April 11, 2019, PAC 3 changed its name from Canary Topco Limited to Accelya Topco Limited.

ii. The issued and paid up share capital of PAC 3 consists of 1,012,999 A1 Ordinary Shares of US$0.001 each, 1,814,968,031 A2 Ordinary Shares of US$0.000001 each, 184,513,774 A3 Ordinary Shares of US$0.000001 each, 172,368 B1-I Ordinary Shares of US$0.001 each, 205,292,702 B1-II Ordinary Shares of US$0.000001 each, 25,000 B2 Ordinary Shares of US$1.00 each, 205,297 C Shares of US$0.000001 each and 221,564,378 Preference Shares of US$0.001 each. The Acquirer holds 100% of the issued share capital of PAC 3, and Aurora UK Midco 2 Limited holds 100% of the issued share capital of the Acquirer and is indirectly controlled by PAC 1 and PAC 2. PAC 3 is part of the Vista Equity Partners Group.

iii. PAC 3 is an investment holding company. Aside from its holding of the Accelya group companies which are a provider of technology products and services to the travel and transport industry and which also includes holding of Accelya World Holding S.L.U., the promoter of the Target Company, PAC 3 has not made any previous investments. Prior to its acquisition by the Acquirer on December 24, 2019, PAC 3 was the holding company of the Accelya group.

iv. The shares of PAC 3 are not listed on any stock exchange in India or abroad.

v. Pursuant to the completion of the Underlying Transaction (as defined below), all of the issued share capital of PAC 3 was directly acquired by the Acquirer. Prior to completion of the Underlying Transaction, Accelya Holding World S.L.U. was a wholly owned indirect subsidiary of PAC 3, and therefore became an indirect subsidiary of the Acquirer upon completion of the Underlying Transaction. As described above, Accelya Holding World S.L.U. holds 11,143,295 equity shares in the Target Company constituting 74.66% of the Voting Share Capital. PAC 3 has not directly acquired any Equity Shares of the Target Company between the date of the PA i.e. November 19, 2019 and the date of this DPS.

vi. Other than as mentioned in paragraph 4(v), as of the date of this DPS, PAC 3 and the directors and key employees of the PAC 3 do not have any relationship or interest in the Target Company.

vii. PAC 3 has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.

viii. The key financial information of PAC 3 as at and for the periods ended June 30, 2019, June 30, 2018, June 30, 2017 and December 31, 2016, as extracted from the audited financial statements for the respective financial statements, are as follows:

In millions (except per share data)

Particulars	For the year ended from July 1, 2018 to June 30, 2019		For the year ended from July 1, 2017 to June 30, 2018		For the period ended from January 1, 2017 to June 30, 2017		For the year ended from January 1, 2016 to Dec. 31, 2016	
	USD	INR	USD	INR	USD	INR	USD	INR
Total Income	184.40	13,133.15	195.73	13,940.38	66.43	4,731.31	85.49	6,089.06
Net Income/(Loss)	(14.25)	(1,014.98)	(20.47)	(1,458.12)	(24.97)	(1,778.47)	(33.11)	(2,358.47)
EPS[1]	-	-	-	-	-	-	-	-
Net Worth	169.24	12,053.37	186.22	13,262.71	208.44	14,845.67	51.65	3,678.75

Note:

1. As the issued and paid up capital of PAC 3 consists of multiple class of equity shares as described in point 4(ii) above, the EPS has not been computed.

5. Details of the Seller

i. Not applicable as this Offer is being made as a result of an indirect acquisition shares, voting rights and control of the Target Company by the Acquirer pursuant to the SPA (defined below) as described in Part II (*Background to the Offer*) and not as a result of any direct acquisition of Equity Shares, voting rights, or control of the Target Company.

6. Details of Accelya Solutions India Limited ("Target Company")

i. Accelya Solutions India Limited is a public limited company incorporated as Kale Consultants Private Limited on September 25, 1986. The Target Company became a public limited company with effect from October 29, 1997, and consequently, was named Kale Consultants Limited . Pursuant to a fresh certificate of incorporation issued by the Registrar of Companies dated July 23, 2012, its name was changed to Accelya Kale Solutions Limited. Subsequently, its name was changed to its present name Accelya Solutions India Limited pursuant to a fresh certificate of incorporation issued by the Registrar of Companies dated May 20, 2019.

ii. The registered office of the Target Company is located at Accelya Enclave, 685/2B & 2C, 1st Floor, Sharada Arcade, Satara Road, Pune – 411 037. Tel: +91 20 6608 3777 and Fax: +91 20 2423 1639 and its corporate identity number is L74140PN1986PLC041033.

iii. The Target Company is a leading technology solutions provider to the airline and travel industry and helps airline customers integrate and simplify their financial processes to manage costs, risks, revenue leakages, cash flows, profitability and overall business performance.

iv. The Target Company is controlled by Accelya Holding World S.L.U., a wholly owned indirect subsidiary of the Acquirer and PAC 3, which holds 11,143,295 Equity Shares in the Target Company constituting 74.66% of the total issued, paid-up share capital of the Target Company.

v. The Equity Shares are listed on the BSE (Security ID: ACCELYA Security Code: 532268) and the NSE (Symbol: ACCELYA). The ISIN of Equity Shares of the Target Company is INE793A01012.

vi. The Equity Shares are not frequently traded within the meaning of explanation provided in Regulation 2(1)(j) of the SEBI (SAST) Regulations.

vii. As on the date of this DPS, the authorized capital of the Target Company is INR 202,000,000 comprising of 20,200,000 Equity Shares of face value of INR 10. As on the date of this DPS, the issued, subscribed and fully paid-up fully diluted equity share capital of the Target Company is INR 149,262,610 comprising 14,926,261 Equity Shares of INR 10.

viii. The Target Company does not have partly paid-up Equity Shares and (including warrants, fully convertible securities, partly convertible securities and employee stock options).

ix. Summary of the consolidated unaudited limited review financial information as at and for the three month period ending September 30, 2018 and consolidated audited financial statements for the financial year ended June 30, 2019, June 30, 2018, and June 30, 2017 is provided below. In this regard, please note that the key financial information of the Target Company as at and for the financial years ended June 30, 2019 and June 30, 2018 have been extracted from the respective audited consolidated financial statements for the said financial years and as at and for the financial year ended June 30, 2017 has been extracted from the comparative financial information in the audited consolidated financial statements as at and for the financial year ended June 30, 2018. The key financial information of the Target Company as at and for the three months period ended September 30, 2019 has been extracted from financial statements for the said period which have been subjected to limited review, are as follows:

(INR in Million, unless otherwise stated)

Particulars	Three months ended September 30, 2019 (Consolidated) (Limited Review)	Financial year ended June 30, 2019 (Consolidated) (Audited)	Financial year ended June 30, 2018 (Consolidated) (Audited)	Financial year ended June 30, 2017 (Consolidated) (Audited)
Total Revenue	1,225.15	4,419.90	3,859.24	3,877.07
Net Income	325.58	1,063.78	891.79	972.47
EPS (in INR)	21.81	71.27	59.75	65.15
Net Worth	-	1,975.61	1,795.90	1,809.84

7. Details of the Open Offer

i. This Offer is made in accordance with provisions of Regulations 3(1), 4, and 5(1) of the SEBI (SAST) Regulations. This Offer is triggered pursuant to an indirect acquisition of the Equity Shares, voting rights and control of the Target Company by the Acquirer. The thresholds specified under Regulation 5(2) of the SEBI (SAST) Regulations are not met.

ii. This Offer is pursuant to a global acquisition resulting in an indirect acquisition of the Equity Shares of the Target Company under Regulation 5(1) of the SEBI (SAST) Regulations (Further details are provided in Part II below (*Background to the Offer*)).

iii. The Acquirer and the PACs are making this Open Offer to all Public Shareholders to acquire up to 37,82,966 Equity Shares ("**Offer Shares**"), constituting 25.34% of the Voting Share Capital of the Target Company.

iv. This Offer is being made at a price of INR 956.09 ("**Offer Price**") per Equity Share which includes a price of INR 944.19 and an enhancement of INR 11.90 per Equity Share i.e. 10% per annum for the period between November 15, 2019 being the date of the SPA and the date of this DPS, in accordance with Regulation 8(12) of the SEBI (SAST) Regulations. Assuming full acceptance of the Offer, the aggregate consideration payable to the Public Shareholders in accordance with the SEBI (SAST) Regulations will be up to INR 3,616,855,963.

v. This is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.

vi. This Offer is not conditional upon any minimum level of acceptance pursuant to the terms of Regulation 19 of the SEBI (SAST) Regulations.

vii. The Offer Price will be payable in cash by the Acquirer and the PACs, in accordance with the provisions of Regulation 9(1)(a) of the SEBI (SAST) Regulations.

viii. As of the date of this DPS, there are no (i) partly paid-up Equity Shares; and (ii) outstanding convertible instruments (including warrants, fully convertible securities, partly convertible securities and employee stock options) issued by the Target Company.

ix. All the Equity Shares validly tendered by the Public Shareholders in this Offer will be acquired by the Acquirer in accordance with the terms and conditions set forth in this DPS and the terms and conditions which will be set out in the letter of offer to be sent to all public shareholders in relation to this Offer ("**Letter of Offer**"), the relevant provisions of the SEBI (SAST) Regulations, and applicable law.

x. To the best of the knowledge of the Acquirer and the PACs, there are no statutory or other approvals required to complete the acquisition of the Offer Shares that are validly tendered pursuant to the Open Offer or to complete this Open Offer other than as indicated in Part VI (*Statutory and Other Approvals*) below. However, in case any statutory approvals are required by the Acquirer and the PACs at a later date before the closure of the tendering period, this Open Offer shall be subject to such further approvals being obtained.

xi. Where any statutory or other approval extends to some but not all of the Public Shareholders, the Acquirer shall have the option to make payment to such Public Shareholders in respect of whom no statutory or other approvals are required in order to complete this Open Offer.

xii. In terms of Regulation 23 of the SEBI (SAST) Regulations, in the event that the approvals if any (whether in relation to the acquisition of Equity Shares constituting the Offer Shares) specified in this DPS as set out in Part VI (*Statutory and Other Approvals*) below or those which become applicable prior to completion of the Open Offer are not received, for reasons outside the reasonable control of the Acquirer, then the Acquirer and the PACs shall have the right to withdraw the Open Offer. In the event of such a withdrawal of the Open Offer, the Acquirer and the PACs (through the Managers) shall, within 2 Working Days of such withdrawal, make an announcement of such withdrawal stating the grounds for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations.

xiii. The Offer Shares will be acquired by the Acquirer fully paid-up, free from all liens, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof, and the tendering Public Shareholder shall have obtained all necessary consents for it to sell the Equity Shares on the foregoing basis.

xiv. Non-resident Indian ("**NRI**") and erstwhile overseas corporate body ("**OCB**") Public Shareholders, if any, must obtain all requisite approvals required to tender the Equity Shares held by them in this Offer (including, without limitation, the approval from the RBI, since the Equity Shares validly tendered in this Offer will be acquired by a non-resident entity), and submit such approvals along with the Form of Acceptance-cum-Acknowledgement and other documents required to accept this Offer. Further, if the Public Shareholders, who are not persons resident in India (including NRIs, OCBs, erstwhile Foreign Institutional Investors ("**FIIs**") and Foreign Portfolio Investors ("**FPIs**")) had required any approvals (including from the RBI or the Foreign Investment Promotion Board/the Foreign Investment Facilitation Portal or any other regulatory body) at the time of the original investment in respect of the Equity Shares held by them currently, they will be required to submit copies of such previous approvals along with the other documents required to be tendered to accept this Offer. If such approvals are not submitted, the Acquirer and the PACs reserve the right to reject such Equity Shares tendered in this Offer.

xv. In terms of Regulation 25(2) of the SEBI (SAST) Regulations, the Acquirer and the PACs have no intention to restructure or alienate, whether by way of sale, lease, encumbrance or otherwise, any material assets of the Target Company or any of its subsidiaries during the period of 2 years from the completion of the Open Offer except in the ordinary course of business; or as provided in the PA, this DPS or the Letter of Offer.

xvi. Other than as set out in paragraph (xv) above, if the Acquirer and the PACs intend to restructure or alienate any material assets of the Target Company or its subsidiaries (including on account of regulatory approvals or conditions, or compliance with any law that is binding on or applicable to the operations of the Target Company), within a period of 2 years from completion of the Open Offer, the Target Company shall seek the approval of its shareholders as required under the proviso to Regulation 25(2) of the SEBI (SAST) Regulations.

xvii. After the acquisition of the Offer Shares (assuming full acceptance of the Offer), the public shareholding in the Target Company may fall below the minimum level required for continued listing under Regulation 38 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Rule 19A of the Securities Contracts (Regulation) Rules, 1957. In the event the public shareholding in the Target Company falls below 25% of the voting share capital pursuant to this Offer, the Acquirer and/or PACs and/or Accelya Holding World (defined below) shall bring down the non-public shareholding in the Target Company to the level specified within the time prescribed in the Securities Contracts (Regulation) Rules, 1957, SEBI (SAST) Regulations and as per applicable SEBI guidelines.

xviii. The Equity Shares under statutory lock-in, if any, can be transferred to the Acquirer under the Offer, subject to continuation of the residual statutory lock-in period in the hands of the Acquirer.

xix. The Manager does not hold any Equity Shares as on the date of this DPS. The Manager further declares and undertakes not to deal on their account in the Equity Shares during the offer period.

II. BACKGROUND TO THE OPEN OFFER

1. The Acquirer has entered into a share purchase agreement with dnata, Warburg Pincus Private Equity XI LP, Warburg Pincus Private Equity XI-B LP, Estera Trust (Jersey) Limited and certain other institutional shareholders of PAC 3 and individuals (together, "**Sellers**"), dated November 15, 2019 ("**SPA**"), whereby the Acquirer has agreed to acquire in cash 100% of the issued share capital of PAC 3 comprising 1,012,999 A1 Ordinary Shares of US$0.001 each, 1,814,968,031 A2 Ordinary Shares of US$0.000001 each, 184,513,774 A3 Ordinary Shares of US$0.000001 each, 172,368 B1-I Ordinary Shares of US$0.001 each, 205,292,702 B1-II Ordinary Shares of US$0.000001 each, 25,000 B2 Ordinary Shares of US$1.00 each, 205,297 C Shares of US$0.000001 each and 221,564,378 Preference Shares of US$0.001 each ("**Underlying Transaction**").

2. PAC 3 holds 100% of the issued share capital of Accelya Holdco Limited which in turn holds 100% of the issued share capital of Accelya Finco Limited. Accelya Finco Limited holds 100% of the issued share capital of Accelya Midco Limited which in turn holds 100% of the issued share capital of Accelya Bidco Limited. Accelya Bidco Limited holds 100% of the issued share capital of Accelya Holding World S.L.U. ("**Accelya Holding World**") which in turn holds 1,11,43,295 equity shares in the Target Company constituting 74.66% of the total issued, paid-up voting share capital of the Target Company.

3. Therefore, as a result of the Underlying Transaction, the Acquirer has indirectly acquired the majority of the voting rights in and control over the Target Company. The Open Offer is being made to the Public Shareholders of the Target Company in accordance with Regulations 3(1), 4 and 5(1) of the SEBI (SAST) Regulations. The thresholds specified under Regulation 5(2) of the SEBI (SAST) Regulations are not met.

4. Under the SPA, the purchase price for the Underlying Transaction has been paid by the Acquirer in cash, with no deferred element, and the Acquirer has acquired 100% of the issued share capital of PAC 3. The Underlying Transaction completed on December 24, 2019.

5. The Acquirer and the PACs do not have any definite plans with respect to the Target Company as on the date of this DPS. The Acquirer and the PACs are a part of Vista Equity Partners Group, which with their operational expertise and financial strength, intend to position the Target Company for future growth and creation of value for its stakeholders.

III. SHAREHOLDING AND ACQUISITION DETAILS

1. The current and proposed shareholding of the Acquirer and the PACs in the Target Company and the details of the acquisition are as follows:

Particulars	Acquirer		PAC 1		PAC 2		PAC 3	
	No of shares	%age	No of shares	%age	No of shares	%age	No of shares	%age
Shares as on PA date	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Shares acquired between PA and DPS	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Shareholding as on DPS date	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Post offer shareholding (Assuming full acceptance on a fully diluted basis, as on 10th Working Day after closing of tendering period)	37,82,966	25.34%	Nil	Nil	Nil	Nil	Nil	Nil

Note: Pursuant to the Underlying Transaction, Accelya Holding World, a wholly owned indirect subsidiary of the Acquirer and PAC 3, which is jointly controlled by PAC 1 and PAC 2 holds 11,143,295 equity shares in the Target Company constituting 74.66% of the Voting Share Capital.

2. None of the Acquirer, PACs, and members of the respective board of directors of the Acquirer or the PACs hold any Equity Shares of the Target Company.

IV. OFFER PRICE

1. The Equity Shares of the Target Company are listed on the BSE and the NSE.

2. The traded turnover in the Equity Shares of the Target Company on BSE and NSE during the period November 1, 2018 to October 31, 2019 ("**Twelve Month Period**"), viz. twelve calendar months preceding the calendar month in which the PA is made, is given below:

Stock Exchange	Traded turnover of Equity Shares of the Target Company during the Twelve Month Period ("A")	Total number of Equity Shares of the Target Company during the Twelve Month Period ("B")	Traded turnover as % of total number of Equity Shares of the Target Company (A/B)
BSE	192,305	14,926,261	1.29%
NSE	1,356,287	14,926,261	9.09%

Source: Based on the Certificate dated November 19, 2019 issued by MZSK & Associates, Chartered Accountants.

3. Based on the above information, the Equity Shares of the Target Company are not frequently traded in terms of Regulation 2(1) (j) of the SEBI (SAST) Regulations.

4. This is an indirect acquisition of Target Company in terms of Regulations 5(1) of the SEBI (SAST) Regulations, and such indirect acquisition does not fall within the parameters prescribed under Regulation 5(2) of the SEBI (SAST) Regulations.

5. The Offer Price of INR 956.09 per Equity Share of the Target Company is justified in terms of Regulation 8(3) and 8(4) read with Regulation 8(5) and 8(12) of the SEBI (SAST) Regulations in view of the following:

S. No.	Particulars	Price (INR per Equity Share)
A	The highest negotiated price per share of the Target Company under the agreement for any acquisition attracting the obligation to make a PA of this Offer	Not Applicable
B	The volume-weighted average price paid or payable for any acquisition by the Acquirer or PACs during the fifty-two weeks immediately preceding the earlier of, the date on which the primary acquisition is contracted, and the date on which the intention or the decision to make the primary acquisition is announced in the public domain	Not Applicable
C	The highest price paid or payable for any acquisition, whether by the Acquirer or the PACs, during the twenty-six weeks immediately preceding the earlier of, the date on which the primary acquisition is contracted, and the date on which the intention or the decision to make the primary acquisition is announced in the public domain	Not Applicable
D	the highest price paid or payable for any acquisition, whether by the Acquirer or by the PACs between the earlier of, the date on which the primary acquisition is contracted, and the date on which the intention or the decision to make the primary acquisition is announced in the public domain, and the date of the PA of this Offer	Not Applicable
E	The volume-weighted average market price of the shares for a period of sixty trading days immediately preceding the earlier of, the date on which the primary acquisition is contracted, and the date on which the intention or the decision to make the primary acquisition is announced in the public domain, as traded on the NSE being the stock exchange where the maximum volume of trading in the shares of the Target Company are recorded during such period, provided such shares are frequently traded	Not Applicable [1]
F	The per equity share value computed under Regulation 8(5), if applicable	900.18 [2][3]
G	Price of shares of the Target Company determined by the Acquirer and the Manager to 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	944.19 [4]
H	Price at (G) above including interest in terms of Regulation 8(12) of the SEBI (SAST) Regulations	956.09 [5]

Notes:

1. Not applicable as the Equity Shares of the Target Company are listed on BSE and NSE, and are not frequently traded in terms of Regulation 2(1)(j) of the SEBI (SAST) Regulations as per certificate dated November 19, 2019 from MSKA & Associates, Chartered Accountants.
2. In terms of Regulation 8(5) of the SEBI (SAST) Regulations, an indirect acquisition where: (a) the proportionate net asset value of the target company, as a percentage of the consolidated net asset value of the entity or business being acquired; (b) the proportionate sales turnover of the target company, as a percentage of the consolidated sales turnover of the entity or business being acquired; or (c) the proportionate market capitalization of the target company, as a percentage of the enterprise value for the entity or business being acquired, is in excess of 15%, on the basis of the most recent audited annual financial statements, the acquirer is required to compute and disclose the per equity share value of the target company. As per certificate dated November 19, 2019 from MSKA & Associates, Chartered Accountants, the proportionate sales turnover of the Target Company as a percentage of the consolidated sales turnover of the entity being acquired (i.e. Accelya Topco Limited), is in excess of 15%.
3. The Acquirer has taken into account a per share price of INR 900.18 for the acquisition of the Target Company for the Underlying Transaction. This has been arrived at on the basis of the volume-weighted average market price of the equity shares of the Target Company for a period of 60 trading days immediately preceding November 15, 2019, i.e., the date when the Acquirer made a formal bid to acquire Aurora Topco Limited.
4. The price of INR 944.19 per Equity Share is the higher of (i) the price per Equity Share of INR 944.19 as per the report dated November 19, 2019 issued by MSKA & Associates, Chartered Accountants, and (ii) the price per Equity Share of INR 939.07 as per the report dated November 19, 2019 issued by Bansi S. Mehta & Co., Chartered Accountants. An overview of the methodologies used as per the respective reports is summarized below:

MSKA & Associates, Chartered Accountants

MSKA & Associates, Chartered Accountants (Address: Floor 3, Enterprise Centre, Nehru Road, Near Domestic Airport Vile Parle (E), Mumbai – 400 099, India; Tel.: +91 22 3332 1600; Fax: +91 22 2439 3700; and firm registration number: 105047W), in its valuation report dated November 19, 2019, has arrived at the fair value of Equity Shares of INR 944.19 per share based on the market price method and the comparable companies multiple method.

The market price of the Target Company has been calculated based on Volume Weighted Average Market Price ("**VWAMP**") of the equity shares of the Target Company for a period of 60 trading days upto the Valuation Date i.e. November 15, 2019.

Under the comparable companies multiple method, the average Price to Earnings (PE) multiple has been arrived at by considering the 60 trading days VWAMP of the comparable companies and the normalized profitability of the comparable companies based on the trailing twelve month (TTM) financials. This average PE multiple has been applied to the TTM normalized profit after tax of the Target Company to arrive at the equity value of the Target Company, which is then divided by the equity shares outstanding to compute the equity value per share of the Target Company.

MSKA & Associates has applied equal weights to the methods to arrive at the equity value per share of the Target Company. More specifically, the value calculated under the market price method is assigned a weight of 1 (one) and the value calculated under the comparable companies multiple is assigned a weight of 1 (one).

Bansi S. Mehta & Co., Chartered Accountants

Bansi S. Mehta & Co., Chartered Accountants (Address: Metro House, 3rd Floor, M. G. Road, Dhobi Talao, Mumbai 400 020, Maharashtra, India; Tel.: 91-22-22014922; Fax: 91-22-22050147; and Firm Registration Number: 100991W), in its valuation report dated November 19, 2019, have arrived at the fair value of Equity Shares of Rs. 939.07 based on the (i) Market Price Method, (ii) Comparable Companies Multiple Method (based on Enterprise Value ("EV") to Earnings before Interest, Tax, Depreciation and Amortization ("EBIDTA") multiple ("EV/EBITDA Multiple") method and Price to Earnings ("P/E") multiple method), (iii) Income Approach based on Capitalization of Profit After Tax ("PAT") Method.

The market price of equity shares of the Target Company has been based on the volume weighted average market price on NSE over a period of sixty trading days up to November 15, 2019 (Valuation Date). Under the Comparable Companies Multiple Approach, Bansi S. Mehta & Co. has used the EV/EBITDA multiple method and P/E Multiple Method to derive the fair value of the Target Company. Bansi S. Mehta & Co. has considered EBITDA, PAT, EV and adjusted market capitalization of comparable companies. The above parameters have been used to arrive at average EV/EBITDA and P/E multiple for

continued on next page...

Forest cover up, but large areas of dense forest turn non-forest

JAY MAZOOMDAAR
& ESHA ROY
New Delhi, December 30

Prakash Javadekar released the report PREM NATH PANDEY

THE BIENNIAL STATE of Forest Report (SFR), released Monday by Environment Minister Prakash Javadekar, announced an overall gain of 3,976 sq km of forests in India since 2017. But hidden in the not-so-fine print of the report is a loss of 2,145 sq km of dense forests that have become non-forests in those two years.

What largely offset this loss is the conversion of 1,858 sq km of non-forest areas to dense forests since 2017. Dense forests are defined by canopy cover: over 70% is considered very dense and 40-70% medium dense. Unlike natural forests, commercial plantations grow rapidly and show up as dense cover in satellite images. A monoculture, however, cannot substitute natural forests in biodiversity or ecological services.

Dr Subhash Ashutosh, Director General, Forest Survey of India, told The Indian Express: "Some of these are fast-growing species such as bamboo in the north-eastern region. Also rubber and coconut plantations in the southern states. We need more time and resources if we are to identify and classify plantations through ground-truthing in the biennial report."

Since 2003 when this data was first made available, 18,065 sq km — more than one third of Punjab's landmass — of dense forests have become non-forests in the country. Nearly half of this — 8,552 sq km — since 2015.

On paper, much of this destruction of quality natural forests was compensated by plantations — a total of 10,227 sq km of non-forests became dense forests in successive two-year windows since 2003. Again, more than half of this — 5,458 sq km — since 2015.

Leading ecologist Dr Madhav Gadgil said: "It is not possible to reconcile such matrix unless the FSI shares the spatial data. With so much advancement in science, the government should make its grid data public for open scrutiny and value addition."

Dr Ashutosh said: "Anyone can access the forest data for a nominal fee. I have proposed that access should be made free in the future. But we do not share raw data unless it is a collaborative research with the FSI."

The SFR 2019 data underlines the scale of forest loss on what is forestland on government records. The FSI has identified 7,28,520 sq km as recorded forest area in the country. Of this, 2,15,084 sq km — nearly 30% — recorded no forest cover. In other words, forestland roughly the combined area of Tamil Nadu and West Bengal holds no forests at all. There has been no recovery since 2017 as forest cover on forestland has shrunk by 330 sq km in the last two years.

"There is no denial that the gain in forest cover is outside forestland. A proposal to continue with the biennial reports while conducting a more comprehensive study, may be every five years, is in place. There is no decision on that yet," said Dr Ashutosh. One silver lining in the SFR 2019 is a gain of 301 sq km of dense forest on forestland since 2017. Overall, though, less than 45% — only 3,26,546 sq km — of India's forestland is densely forested.

The 2019 report also recorded an increase of 1,212 sq km in tree cover. The 3,976 sq km increase reported in forest cover was largely achieved through a net gain of 3,661 sq km of open forests in non-forest areas since 2017. The 2017 report had claimed a gain of 6,778 sq km in forest cover and 1,243 sq km in tree cover over 2015.

Releasing the report, Javadekar said India is among the top ten countries in the world to maintain and increase its forest and tree cover.

"This is very encouraging for us as it means that we are on the right track to achieve our Paris Agreement commitment of 2.5-3 billion carbon sinks. The top five states to have shown an increase in forest cover include Karnataka (1,025 sq km), Andhra Pradesh (990 sq km), Kerala (823 sq km), J&K (371 sq km) and Himachal Pradesh (334 sq km)," he said.

The total forest cover of the country is 7,12,249 sq km which is 21.67% of the geographical area of the country. The tree cover of the country is estimated as 95,027 sq km which is 2.89% of the geographical area. Area wise Madhya Pradesh has the largest forest cover in the country followed by Arunachal Pradesh, Chhattisgarh, Odisha and Maharashtra. In terms of forest cover as percentage of total geographical area, the top five states include Mizoram (85.41%), Arunachal Pradesh (79.63%), Meghalaya (76.33%), Manipur (75.46%) and Nagaland (75.31%).

Power elites stage a comeback as Uddhav expands cabinet

SANDEEP ASHAR
MUMBAI, DECEMBER 30

Maharashtra Deputy Chief Minister Ajit Pawar, Chief Minister Uddhav Thackeray, Aaditya Thackeray and Governor Bhagat Singh Koshyari in Mumbai on Monday GANESH SHIRSEKAR

OVER A MONTH after inducting seven Cabinet ministers, Maharashtra Chief Minister Uddhav Thackeray Monday expanded his ministerial team to 43 in a glittering oath-taking ceremony inside Vidhan Bhavan. With this exercise, the state's new council of ministers — 33 cabinet and 10 state — has hit the maximum limit, capped at 15 per cent of the Vidhan Sabha strength of 288.

Nationalist Congress Party (NCP) leader Ajit Pawar returned as Maharashtra's Deputy Chief Minister a little over a month after he had broken ranks to ally with the BJP. Many of the 14 NCP ministers sworn-in on Monday are seen as close aides of Ajit Pawar. The induction of Thackeray's son, Aditya, closely held till the last minute, is the first time in state history where a father-son duo will be part of the same cabinet. Uddhav's father and Shiv Sena founder Bal Thackeray had always stayed away from positions of power in the government.

Monday's cabinet expansion also marked the return of former Maharashtra Chief Minister Ashok Chavan, who had been kept out of government by the Congress when in power after he had stepped down from the Chief Minister's post, following allegations against him in the Adarsh housing society scam.

In many ways, the cabinet expansion also marks the return of the power elite of the state. Out of 43 ministers who are now a part of Team Uddhav, 19 have already held ministerial positions in the past, 17 are cooperative barons, and 19 belong to established political families.

Governor Bhagat Singh Koshyari briefly lost his cool when Congress's KC Padavi deviated from the format and tried to invoke the "environment" while taking oath. Koshyari ensured that Padavi took the oath a second time. He had similarly stepped in when Varsha Gaikwad fumbled while taking the oath.

As per the power sharing formula arrived at between the three parties, the Shiv Sena, with 56 MLAs, will hold the Chief Minister's post for the full term of this government besides retaining 14 other ministerial berths. The NCP, with 54 MLA, has bagged the Deputy Chief Minister's position and 16 ministerial berths in all, while the Congress, with 44 MLAs, will hold the Assembly Speaker's post, and bag 12 ministerial positions. While Thackeray and two ministers from each party were sworn-in in November, Monday saw 12 Shiv Sena (eight cabinet, four MoS), 14 NCP (10 cabinet, four MoS), and 10 Congress (eight cabinet, two MoS) take oath. As expected, the dominant Maratha community, and the OBC community, got a fair shar of representation in the cabinet. Among the regions, Western Maharashtra, North Maharashtra, and Vidarbha have higher representation.

Shiv Sena MP Sanjay Raut, who had played a key role in government formation, was absent in the ceremony, with sources in the party stating he was upset over the non-induction of his brother, Sunil Raut, a legislator from Mumbai's Bhandup Assembly seat. When asked, Thackeray denied Raut was sulking. "If someone isn't present (for the swearing-in) that doesn't mean he is upset," he said.

MSME sector poised for mega transformation in 2020

PRESS TRUST OF INDIA
New Delhi, December 30

INDIA'S MSME SECTOR is poised for a mega transformation in 2020, with the launch of an Alibaba-like e-marketplace, trendy yet affordable khadi products to appeal to the masses and digital data-based credit ratings to help entrepreneurs avail loans.

However, the MSME sector, often considered the bulwark of the economy as it contributes 29% to the GDP and 48% to exports, is in an urgent need of major reforms and policy interventions towards ensuring timely availability of low cost credit, improving ease of doing business and technology upgradation, to take on the formidable challenge of creating millions of jobs and achieving large-scale import substitution.

The Centre envisions a contribution of $2 trillion from micro, small and medium enterprises (MSMEs) as India eyes becoming a $5-trillion economy by 2024. The Union MSME ministry helmed by Nitin Gadkari has also set a target of generating five crore additional jobs from the sector by then, two ambitious goals which would require a robust policy framework.

Gadkari recently told *PTI* that the government would soon finalise extensive changes to the definition of an MSME, which experts believe is set to be a major reform for the sector and will improve the ease of doing business through changing the criteria for classifying MSMEs from 'investment in plant and machinery' to 'annual turnover' basis. However, timely availability of low cost credit remains a challenge.

According to Meghna Suryakumar, founder & CEO, Crediwatch India, has more than 50 million small and medium enterprises which face the problem of liquidity crunch. Of these, only 15% get access to formal credit due to the trust deficit that exists and they lack collateral.

"They find it to be a risky investment. And for the ones who get access to formal credit, they have to wait for 4 to 6 weeks to get their loan processed at a staggering rate of 16 to 24 per cent. This scenario creates a debt financing gap of $1 trillion in the market and hence these small and medium enterprises are under-banked and under-served," Suryakumar said.

Gun-licensing racket: CBI searches premises of two senior IAS officers

PRESS TRUST OF INDIA
Srinagar/Jammu, Dec 30

THE CBI ON Monday carried out searches at 17 locations in the new Union Territory of Jammu and Kashmir and three states, including the premises senior IAS officers Yasha Mudgal and Kumar Rajeev Ranjan, in two cases related to an alleged gun-licensing racket unearthed by Rajasthan Police in 2017, officials said.

This is the first major operation of the agency in J&K after the reorganisation of the erstwhile state as a UT under which the CBI gets jurisdiction to operate there under the Delhi Special Police Establishment Act, they said. The announcement about the state being bifurcated into UTs — Ladakh and Jammu and Kashmir — was made on August 5 by the central government and it came into existence on October 31.

Giving details, the CBI officials said several documents related to the cases, including bank statements, were recovered during the searches that were carried out at three places in Kashmir, 11 places in Jammu and one each in Gurugram (Haryana), Mohali (Punjab) and Noida (Uttar Pradesh).

Besides searching the premises of Mudgal, a 2007-batch IAS officer, and Ranjan, a 2010-batch IAS officer, houses of Itrat Hussain, Mohammed Saleem, Mohammed Junaid Khan, FC Bhagat, Farooq Ahmed Khan and Jenhagir Ahmed Mir were searched, the officials said.

Mudgal is at present CEO and managing director of Power Distribution Corporation Jammu, while Ranjan is CEO of Jammu Srinagar Metro Rail Corporation. The CBI was handed over the matter in August last year.

...continued from previous page.

Textile Engineering Industry of India

TEI contributes greatly to the competitiveness of the Indian textile Industry

Vallabh Thummar, Chairman of Textile Machinery Manufacturers' Association India (TMMA) gives an insight on the market scenario and areas that can strengthen the industry capacity to meet the challenges

■ **Masuma Bharmal Jariwala**

THE INDIAN Textile Engineering Industry (TEI) is one of the most important capital goods sectors in the country. It has contributed substantially over the last five decades in providing state-of-the-art and modern machinery to the different segments of the textile industry both in India and abroad.

The industry consists of over 3,000 machinery and equipment manufacturing units of which around 1,400 units are in machinery manufacturing, 1,200 units manufacturing parts and accessories and the rest are traders and dealers.

The machineries manufactured are on a par with international standards which has generated huge demand in international market. Currently, the industry exports are estimated at around 35% of its total production to more than 50 countries in the world.

Besides exports, the manufactures of parts and accessories cater to the original equipment manufacturers and textile mills. These units are predominantly in the SMEs sector with an estimated investment of about ₹50 bn ($14.88 bn) to build up an annual estimated capacity of ₹1,100 bn ($1.723 bn).

Vallabh Thummar Chairman of TMMA, gives an insight on the market scenario and areas that can strengthen the industry capacity to meet the challenges.

What has been TMMA (I)'s contribution in developing the Indian textile machinery industry?

The Textile Machinery Manufacturers' Association (India) (TMMA) established in May 1958 has played a significant role in the progress of the Indian Textile Engineering Industry in product development and foreign trade of its constituents. TEI has grown steadily by making remarkable progress in producing wide range of international quality textile machinery, parts and accessories.

Recently, TMMA (I) in association with 'Surat Engineering Vikas Association' (SEVA), and 'Sardar Vallabhbhai Patel Education Society' (SVPES) has established a Common Engineering Facility center (CEFC) for textile machinery, and light engineering industry. Work is expected to complete soon.

Equipped with the state-of-the-art tool room, prototype manufacturing facility, 3-D facility and metrology lab design studio, the centre will provide designs for the entire textile machinery and general engineering industry.

Given your experience, how would you analyse the success of textile machinery Industry?

The Indian TEI over the years has developed a strong engineering base capable of manufacturing the entire range of machinery for the textile industry. Having supplied over 70% of the requirements of the textile industry with built up annual estimated capacity of ₹11,000 crore of total machinery requirement and other equipments, we manufacture machines starting from opening up of the fibers to production of finished fabrics.

What is the size of national textile machinery market ?

India has a strong engineering base capable of manufacturing almost entire range of machinery for three main sectors of the textile industry including spinning, weaving and processing.

In 2018-19, the production of the TEI touched ₹6,865 crore while the estimated capacity of the domestic TEI stood at ₹11,000 crore. The export of textile machinery to the third world countries reached to ₹3,665 crore in 2018-2019.

Does state government textile policy affect textile machinery business?

With the state's textile policy expiring on September 3, 2018, the Gujarat government recently announced a 'Scheme for Assistance to Strengthen Specific Sectors in the Textile Value Chain' effective from September 4, 2018, upto December 31, 2023. As against the policy that attracted fresh investments in ginning, spinning and garmenting, the assistance scheme covers segments such as weaving, knitting, dyeing/printing, machine carpeting, technical textile, composite units and other activities in the textile value chain such as embroidery, winding, sizing, twisting and crimping.

However, the benefits of assistance scheme for textile value chain are limited only for new units set up in Gujarat and not for the existing players.

Subsidy to the new units would help them become more cost-effective leading to competition with existing players on price factor.

What role does machinery industry play in the development of Textile Industry?

The Indian TEI is one of the five key engineering sectors consisting of more than 1,400 units, with a total investment of ₹9,500 crore. More than 80% of the units are SMEs. The TEI contributes greatly to the competitiveness of the Indian Textile Industry (TI) in meeting 45-50% of the demand of the Indian Textile Industry.

In 2015, TMMA proposed, the development of a high-speed, high-tech shuttle-less rapier loom of international standards through a consortium of 5 Indian manufacturers of shuttle-less looms in the country with technical guidance and support from Central Manufacturing Technology Institute (CMTI), Bangalore under PPP mode. The consortium registered as a section 8 company known as "TMM Hi-Tech Research and Development Foundation" (TMMC).Phase 1 of the project has already been completed.

What are the major challenges to Textile machinery industry and suggestions to overcome the issues, if any?

Currently the industry is going through a phase of transition in which universal concept of 'Old vs New' is taking its shape. Industry 4.0 is the new buzz word that the developed economies with limited but expensive manpower, have started rolling over. Whereas the developing economies like India with huge but cheap manpower, have started acknowledging its importance, its yet to adopt it at much larger scale. There are few companies in the automobile and logistics industry that have come up with their smart manufacturing/ logistics in tune with their global counterparts.

Major challenges faced by TEI are in areas of Technology R&D, Patent/IPR, Skilled Manpower and Technology Commercialisation. Dumping from world's largest exporting country China and its proxy-exporting-countries including Thailand, Vietnam, Cambodia and Singapore have created big havoc on the Indian TEI.

There are also issues related to government policies related to fiscal incentives, duties and foreign trade. There are seven major challenges with possible solutions and recommendations.

Vallabh Thummar, *Chairman, Textile Machinery Manufacturers' Association India*

VISION OF THE TEXTILE ENGINEERING INDUSTRY

■ Grow, compete and export
■ Provide strong support to the Indian textile industry, to make it vibrantand competitive
■ Like spinning, acquire technological strength in all sectors.
■ Meet 70-75% of the demand of Indian textile industry for high-tech machinery. The current contribution is around 45-50%.
■ Capacity scale-up commensurate with increased demand
■ India has capacity to become a manufacturing hub with necessary support.

There should be no Import Subsidy on the new textile machinery technologies that are/can be produced in India: A number of Indian companies/ consortium have developed technologies equally competitive to their global counterparts. The same technology is still imported with 10-15% subsidy.

We strongly urge for the removal of subsidy on all such technologies to enhance the 'Make in India' campaign.

Import of Second Hand/Refurbished machinery: Like automobile sector, there should be no duty-free import of second hand/ refurbished machinery. To encourage its local industry, Chinahas already imposed restrictions on import of second hand textile machinery. In fact, prior to 2016 the TUF subsidy used to be given on import of used machines as well. Due to which the import of weaving looms was almost 86% of the total imports. Through years of persuasion, the subsidy on such imports was stopped in the new TUF subsidy named as ATUF that was launched in April 2016. Because of this decision the import of used looms have come down drastically under 20% each year.

Number of second hand machines continue being imported via Singapore, Thailand, Malaysia and other SAARC or ASEAN countries under special trade preference agreements signed with those countries by India. Therefore, even the 7.5% custom duty goes to 0% in a number of cases making the issue of used machinery import even graver.

Some-times used machines are imported as new machines after refurbishment in these countries. Such refurbished machines imported as new machines are often 'over-invoiced' and also given ATUF Subsidy to its buyers in India resulting in huge drain of public money.

We suggest such imports should have at least 30% import duty. Import of low technology machines must stop. Rule of Origin must be followed with better vigilance at customs.

❑ **Pending Refunds of Duty Drawback/ Terminal Excise Duty & GST:**

In past few years, number of cases have been reported from industrialists that their refunds of Duty Drawback/ Terminal Excise Duty and GSThas been pending with concerned government departments anywhere between 6 to 18 months. Any company would find it very difficult if a substantial portion of their working capital is blocked for longer duration of time.

We suggest that Industry representations led by the industry associations/ chambers or companies must be heard across with provision of fast-paced grievance redresses mechanism.

❑ **Import of Critical Raw Materials-Steel:**

The textile machinery industry has started facing severe manufacturing crisis due to an amendment in the Import Policy of Iron and Steel— Notification No.17/2015-2020 dated 05.09.2019.The steel import monitoring system (SIMS) requires importers to submit advance online information for import of items. Subsequently, the importers are required to enter registration number andit's expiry date in the Bill of Entry to enable Customs for clearance of consignment.

Due to severe implication to this notification importing industry will start stocking up the steel for the entire year to avoid routine hassle. This will ruin the cost competitiveness of the Indian TEI.

We believe that the Government should amend this notification in the interest industry.

❑ **EPCG Issue:** The Foreign Trade Policy 2015-2020 of Government of India has an EPCG Scheme to facilitate import of capital goods by specified Importers at 'zero duty' for producing quality goods and services to enhance India's manufacturing competitiveness. This Imports are subjected to an Export Obligation (EO) equivalent to 6 times of duties, taxes and cess saved on capital goods, to be fulfilled in 6 years reckoned from date of issue of Authorization/ License to the importer.

We request government to consider our industry as 100% 'Export Oriented Units' (EOUs) and allowed to import All Goods at 'zero duty'.

❑ **Indigenous Sourcing of Capital Goods and benefits to Domestic Supplier**

A person holding an EPCG authorisation can source capital goods from a domestic manufacturer. Such domestic manufacturer is eligible for 'deemed export' benefit.

We suggest such imports under EPCG scheme should be treated in par with EOU's by eliminating mandatory 'Bank Guarantee' (BG). This will encourage import substitution and provide a level playing field to the industry.

❑ **Enhance FDI promotion and acquisition of technical knowhow:**

■ Establishment of a TEI-SEZ or a Cluster for prospective textile machinery and accessory manufacturers
■ Fiscal incentives for import of critical parts and components at zero % duty and tax holiday for 10 years
■ To include selected textile machinery and components for entitlement of export incentives under a new category for export promotion of Hi-tech products from India
■ Enforcement of IPR which is a key factor of success for Western OEM's
■ Allocation to provide financial assistance to Indian textile machinery manufacturers to seek joint ventures.
■ Encouraging export promotion through market visits and buyer seller meets in less developed textile countries, easy availability of MAI , special assistance for participation in international textile machinery exhibitions are some solutions.

Any suggestions for improved performance of the textile machinery Industry.

The Ministry of Textiles has reinitiated the work on drafting the new Textile Policy which is positive, progressive and inclusive. The Ministry is soliciting inputs and organising meetings with the relevant stakeholders. There are suggestions given for develop mega clusters for the textile machinery, spares and accessories manufacturing, machinery and technology R&D and to develop textilemachinery service centers in all the major textile clusters to service machines in a cost-effective manner.

There is dire need to encourage manufacturing of high tech machineries in our own country. India has the capacity to become a manufacturing hub for textile machinery, parts & components and accessories. If due attention is given, it will not only add to the GDP of the country but will open ample employment opportunities.

Make engineering industry globally competitive

SCIENCE, Engineering and Technological Upliftment (SETU) Foundation is a Section 8 Company (not for profit organisation) incorporated under the Companies Act, 2013 which is promoted by Surat Engineering Vikas Association (SEVA) Surat, and Textile Machinery Manufacturers' Association (I) (TMMA), Mumbai along with support of Department of Heavy Industries (DHI), Ministry of Heavy Industries & Public Enterprises, Government of India and Sardar Vallabhbhai Patel Education Society' (SVPES), Bardoli.

The Vision Mission of SETU is to contribute in making the

■ Indian Engineering Industry globally competitive.
■ To promote Innovation and Standardisation of all engineering machinery and components.
■ To enhance Indian exports and reduce dependency on Imports through Import substitution.
■ To improve global employability of Indian manpower.

And for this the objective is clearly defined for industry as well as education institute.

■ Ensuring improved productivity levels and testing as per international standards.
■ Following of globally acceptable industry and work ethics with Indian ethos.
■ Practicing uncompromised safety compliance and hazard reduction,
■ Promoting aesthetic design and manufacturing.
■ Creating awareness and protection under IPR.
■ Curriculum advocacy in higher technical education.
■ Promotion of cluster based & lean manufacturing systems.

We intend to achieve these objectives by becoming a One Point Service Provider to MSMEs & Textile Engineering Industries through:

Hetal Mehta, *Chairman, SETU Foundation*

Common Engineering Facility Centre (CEFC) equipped with world class machineries with latest technology; Strategic tie-ups with Technocrats, Design Software suppliers, Academic Institutes, Government departments, Business Associations, and related organisations with similar interests.

SETU Foundation intends to achieve the Objectives by establishing/undertaking activities under the following verticals:

■ Product/Prototype developmement centre
■ Design centre
■ Skill development centre
■ Testing & Calibration centre
■ Heat treatment centre

SETU is a social enterprise. The goal is to facilitate Industry and academia, not to generate much financial profit. We intend to provide a platform to raise the standards of the industry and make it globally competitive. The CEFC is a big step in the direction and is expected to benefit MSEs to utilise the facility and ensure quality products at competitive prices.

However, more than the financial gain, focus has been laid on the benefit to academia, industry, and the nation. The nation will be benefited by better productivity, better employability, better quality products, enhanced exports, and less dependence on imports, and will proud to be one of the most technologically advanced nations.

To become a true superpower, India needs an impactful paradigm shift in upgrading technologies, upgrading skills, upgrading efficiencies and upgrading mind-set. SETU aims to take a lead in this process and the CEFC is one of its tools to do so. We need wholehearted support from various stakeholders in this massive endeavour, thus fulfilling our collective Corporate Social Responsibility and Individual Social Responsibility.

Website: www.setufoundation.co.in

ADVERTORIAL

An initiative by RED* Read. Engage. Deliver.

Textile Engineering Industry of India

A leader in Innovation in Twisting, Winding & Weaving machines

WITH a new-found freedom to innovate, Weavetech has registered a 1600% growth over the last decade, one of the highest in the industry. Overcoming the challenges in research & development faced by limited availability of technology in India, Weavetech has grown consistently with its focus on innovating & delivering value-added solutions for industry.

At Weavetech, solutions are matched to your exact needs and objectives, getting you to where you want to be in the improved quality, productivity & reliability picture. Regardless if your company is big or small, Weavetech understands that a new machine investment can make a world of a difference to your business. The potential source of higher profitability, improved quality & dependable reliability will become just that—if the correct machinery is selected.

Chintan V. Thummar, *Director, Alidhara Weavetech Group*

To cater to the fresh needs of the market, Weavetech produces state-of-the-art twisting, winding & weaving machines. Each machine is designed specifically keeping in mind the Indian environment & the skills of the local labour force. This focus on holistic development ensures that Weavetech's products are well received by the industry.

With the new state-of-art dedicated research & development centre based in Surat and a world-class manufacturing setup spread over different units, Weavetech has developed many patented technologies which allow it to compete globally in its segment.

A dynamic market requires dynamic players to cope with the uncertainties. Where keeping calm is necessary for survival. Weavetech & its team show a perfect balance of both, showing a high potential to reach even greater heights in the textile industry at the global level.

Its True Its Truetzschler: providing best technology

TRUST IS a word synonymous with Truetzschler for over 40 years in India. The reasons Truetzschler is trusted are simple. Its products have tremendous longevity and have performed well for a period much longer than normally expected. Workmanship has always been emphasised as the basis for the solid engineering and quality of Truetzschler machines.

It has been a continuous journey surpassing customer expectation with trend-setting technology products and unmatched services. This philosophy has helped in developing long-lasting world-class products for the textile industry in India.

Truetzschler India Pvt Ltd, Ahmedabad, has the most modern manufacturing facility with a highly efficient lean manufacturing process and a skilled workforce. It continues to focus on sustainable growth and operational excellence with initiative for industries 4.0 concept. In line with government initiative, company is also promoting the MSME sector by localisation of parts of main products and CSR activities in area of education.

Joseph Thomson, *CEO, Truetzschler India Pvt. Ltd.*

Truetzschler India offers the following products to its esteemed Indian customers:

Blow-room:

Customised blow-room machines for dealing with all kinds of staple fibre application like cotton, man-made and blends. The fibres are gradually and gently opened in the precisely synchronised Truetzschler blow room machines. The answer to which one is the correct cleaner or optimal cleaner combination depends on raw material and production output. The creation of true yarn quality involves the entire process. The foundation for yarn quality is established in the blow room BO-P – new automatic bale opener with more bales in the blend and increased performance T-SCAN – combination of five technologies for yarn free of foreign fibers Openers/Cleaners – various solutions for natural or man-made fibre application-sCONTIFEED 2 – improved degree of cleaning due to continuous production

T-Blend - Accurate maintenance of blending ratios due to precise weighing

Cards:

The new intelligent Card TC 19i from Germany

The new Truetzschler card generation TC 19i is a quantum leap in spinning preparation: It fulfils the dream of the self-optimising card. The TC 19i meets demands on individual yarn quality never reached before. This development was made possible by the profound know-how of the best carding technologists worldwide.

High production card TC 10 from India

The machine elements of the TC 10 are designed to meet highest requirements. All Truetzschler cards offer the longest carding section in the world: 2.83 m – and thus the highest quality. The pre-carding area ensures a particularly high pre-opening – the best prerequisite for intensive carding at high production rates. Next, an optimised number of flats take care of fibre cleaning and extraction of neps and short fibres. The post-carding area has been increased, resulting in even cleaner sliver and optimised fibre parallelism. Works best with T-Con, MAGNATOP, T-MOVE and JUMBO CANS.

Draw-frames:

Twin delivery draw-frames TD 9T

Conventional double head draw frames have a very poor efficiency. A standstill on one side stops the production on the other side as well. This is not the case with the Truetzschler TWIN concept. Here the fault-free side continues with regular production. On a conventional draw frame with a single efficiency of 85%, only 72% are actually realised. With the TD 9T, the single efficiency factors can be multiplied: depending on the size of the installation, one to two drafting heads can thus be eliminated.

Auto-leveller draw-frames TD 10

Self-optimising is one of the key features that makes the TD 10 draw frames unique along with systems like Auto draft, OPTI SET, and self-adjusting lap monitoring for reliable detection of fibre laps. With the smallest number of belts, maintenance points have reduced to a minimum. The new sliver sensors in the SMART CREEL and T-LED enable the machine to intelligently detect the sliver breaks whether the sliver is still or moving. With separate drives for can rotation, the creel supports high levelling dynamics since there is no need for the leveller motor to further accelerate the slower creel. Additional mechanical cleaning elements and special controls are not required. Due to the enormous filter surface in TD 10, a constant suction pressure is achieved for a longer duration of time.

Superlap TSL 12

The Superlap TSL 12 produces premium quality laps with its multi-drive technology, consisting of four individually controllable and maintenance-free direct drives. Thanks to this technology, important process parameters such as drafts, tensions and lap pressure can be adjusted during lap build-up. Thus, the lap separation can be implemented directly by the drives; there is no need for complex mechanisms which are prone to failures. This results in premium quality laps due to uniform lap hardness and thus in specifically good unwinding properties

Comber TCO 12

With the TCO 12 Truetzschler has successfully introduced a new generation of drive technology to combing. The focus is on the DUAL DRIVE concept and the innovative detaching roll 2-TWIN DRIVE. In addition, the TCO 12 is the first comber on the market that offers self-optimization functions such as COUNT CONTROL and PIECING OPTIMISER. These functions make the difference in a digitalised spinning mill of the future!

The 'Customer First' value of Truetzschler has always been the driving force for creating trust among Indian customers.

It is this trust shown by valuable customers that has inspired Truetzschler to continue providing the best technology with innovative features that no others have. With Truetzschler, it is truly apt to say "Its True, Its Truetzschler"

PEASS: A global market leader in winding machines

FOUNDED IN 1962, PEASS Industrial Engineers Pvt Ltd, started as a machinery manufacturing company with products specifically targeted to the textile industry. The company now offers its customers a wide range of machines. The manufacturing plant was started at Navsari in South Gujarat, a couple of miles away from Surat – one of the largest textile manufacturing zone in India.

The first machine developed and manufactured was the Cone Winder. The same was marketed and sold to domestic clients. This machine was well accepted in the market and the company started getting orders from all the corners of the country.

PEASS then went into foreign collaborations with many world leaders in the manufacture of textile machineries. This included :

- ❑ FR METTLER SONS LTD., SWITZERLAND
- ❑ JAEGGLI MACHINE WORKS LTD., SWITZERLAND
- ❑ SCHELLER GMBH, GERMANY
- ❑ OFFICINE MECCANICHE RIVA SRL, ITALY

The company in its R&D designed and manufactured these machines with latest technology up gradation and by the year 2000, the company is now market leader in winding machines in domestic market with significant presence in global markets.

An In-House Tool room is used for development work as well as the production of high precision Jigs, Fixtures, Press Tools etc. These items are checked regularly to ensure consistency of our products. Due to good quality production aids the output of the manufacturing shop is consistent and the percentage of rejection is nil. The Tool Room is equipped with all types of Precision Machines including Grinding Machines, Tool and Cutter Grinder, Pantograph Machines etc. to cope with our demanding requirements.

Engineering Design is carried out on an intelligent Computer Aided Design(CAD) system. The CNC Machines which are capable of three – Dimensional machining are linked with the aforementioned CAD – CAM System. Solid Modelling is used to allow the designer to predict performance of the product at the design stage itself. Jigs, Fixtures and Patterns are also developed using this facility. Software and Computer Aided Machining is used to incorporate various tools into the machining programmes, which are then directly transferred to the CNC Machines.

Quality is an obsession with those at PEASS. All the components are inspected at every stage with utmost care. Quality in the assembly department is controlled at the bench and floor assembly stages to minimise any problems at the customer's end. A separate spares and services cell functions for after sales services and the supply of spare parts. The customer service manager handles the customer grievances and provides feedback for continuous improvement in our products.

A LAN-based EDP Department is established for the automation and speedy execution of administrative, production planning and inventory control requirements.

Human Resource Development is an ongoing process at PEASS. Training to all employees at all level is imparted regularly. Employee involvement programmes like quality circles have been underway for some time now and they have yielded very encouraging results.

A strong ancillary base has also been developed over the years. Most of the ancillary units work for PEASS exclusively. Not only are they given technical assistance, but there is also a constant process of surveillance and quality audits done at their premises by PEASS Engineers.

Premier Group: Benchmarking new standards for efficient textile production

ESTABLISHED around four and a half decades back, the Premier Group of Industries has successfully climbed up the growth path, under the able ownership of Mulchandbhai Shankerbhai Amin and Ashish Mulchandbhai Amin. The group that started its journey with a small foundry under the name of "Shiva Engg. Works", has today grown to be one of the largest providers of complete textile solutions to major industry players. Our journey into the manufacturing of power looms came into existence with the establishment of Premier Looms Manufacturers Pvt. Ltd. at the turn of the century.

Serving the growing needs of textile manufacturers in India and around the world, we have constantly upgraded our product range to stay at the cutting edge of success in the industry. At Premier Looms, quality is an integral element that is omnipresent in all areas of our business operations. From procurement & production to packaging & delivery, every stage of operations is conducted under an overarching quality management system. We ensure that every product we provide and every service we render is up to the highest standards of excellence.

Today, Premier Looms is an industry leader in the manufacture and export of world class weaving machinery for the textile industry. Benchmarking new standards for efficient textile production, we provide a wide range of textile machines such as Auto Shuttle Change Looms, Deluxe Looms, Rapier Looms, Jacquard Looms, Dobby Looms, etc. Driving the production of world-class fabrics, our products & services combine technological excellence with a sustained focus on innovation. We are dedicated to equipping our clients with the tools they need to flourish in the competitive world. Keeping the need of our clients and the requirements of the market in mind, recently we partnered with DRDE (China) to become the sole distributor of DRDE Water Jet Looms Machines.

Ashish M. Amin, *Director, Premier Looms Manufacturers P. Ltd*

Premier Looms breathes with the aim to satisfy our clients with our smart products/services. We are a unit of highly experienced professionals who all contribute best of their potentials to offer high efficiency. Our quality services /products have always won us many appreciations from our clients. We have a growing clientele base that increases every passing day. We have more than 2,50,000 installations across India. We have established ourselves in textile hubs across India, the likes of Surat, Bhiwandi, Bangalore, Nagpur, Mumbai, Banaras, Srinagar, Kolkata, Mandsaur (M.P.), Raigarh, Meerut, etc. We have delivered our finest machineries to other major countries as well like Sri Lanka, Nepal, Myanmar, Pakistan, Bhutan and Bangladesh.

* RED [READ. ENGAGE. DELIVER.] IS THE MARKETING SOLUTIONS TEAM OF THE INDIAN EXPRESS GROUP

ADVERTORIAL

An initiative by RED*

Read. Engage. Deliver.

Textile Engineering Industry of India

The brand promise—"All you need in printing"

Stovec's success journey backed by its zeal for Innovation and Excellence – Key elements for our Market Leadership Position

STOVEC INDUSTRIES Ltd, based at Ahmedabad (Gujarat), was established in the early 1970's and is the global market leader in rotary screen-printing technology, offering complete printing solutions to the textile industry. In a world of ever-evolving technology where people, markets, technologies, design and fashion are subject to continuous change, Stovec has always understood the customer needs and is determined to deliver top products and best solutions for any new demand worldwide. We have access to the technology that puts us ahead on virtually every aspect of printing. Being in the business for more than four decades, Stovec has left no stones unturned to satisfy the needs of even its most demanding customers. The company's core strength lies in innovation, product development, driven by its experienced talented pool of employees.

Stovec not only has the best technology and world-class products but also has one of the only state-of-the-art fully air-conditioned manufacturing facility in India, to ensure the highest quality of screens that keep dust away. Stovec also have its own effluent treatment plant to ensure zero effluent discharge and environment friendly processes.

Stovec Industries is a subsidiary of the SPGPrints Group, head-quartered at Boxmeer, Netherlands. SPGPrints is the global leading provider of integrated solutions for rotary screen printing in the textile, label and industrial markets and has a leading position in digital printing. The company has a global presence in over 10 countries and a strong distributor network serving the entire world textile market.

Broadly, Stovec has two business segments – Capital goods and Consumables in textile printing industry. Capital goods includes rotary printing machines, laser engraving machines and digital printers. And consumables include rotary textile screens, digital inks, lacquers and engraving chemicals. In the non-textile segment, Stovec also manufactures electroformed products for Sugar Industry, Packaging and Graphic printing industry.

"We innovated. We developed several new products in our portfolio by anticipating future market trends", says Shailesh Wani, Managing Director for Stovec Industries. Under his guidance since 2013, we have developed the semi-automatic and fully automatic rotary printing machine which opened new markets in India and abroad. These are the ideal machines due to their improved price-performance ratio, and, combined with the service and stability of Stovec professionals—makes it a perfect solution for high-quality and reliable printing. Till early 2015, we had mechanical printing machines, which was in demand at those times. However, with our strong market intelligence and anticipating growing market needs, we realised that the market will eventually pace towards semi-automatic and automatic printing machines, and we catered this demand by designing and developing semi-automatic machines (RD series) machines. Subsequently we launched a new generation fully-automatic rotary screen-printing machines, Pegasus EVO, the perfect machine for high-quality and reliable printing. Both these products are very well received by the market globally and the quality is equally appreciated by our international customers.

The company's intensive R&D programmes, combined with its focus on innovation and improvement, has enabled Stovec to become the only Global Competence Center for Rotary printing in the SPGPrints Group. Stovec is seen as a key international player in the industry and export to clients in all major textile printing markets in Europe, America, Turkey, China, South-East Asia and the Indian sub-continent.

In the textile consumables segment, we have developed very specialised NovaScreens®, with mesh size of 135, 165, 195. These are very fine mesh, which are manufactured in India, with an intention of localised support to our valued customers. This requires a very different technology and set-up which is the first of its kind in India. Recently, SPGPrints also launched two of the latest, most innovative screen technologies — the new Ortascreen™ and the new Randomscreen™ Eco, which will help you to reach the highest printing quality levels.

Shailesh Wani, *Managing Director, Stovec Industries Ltd.*

In the digital print segment, the company has proliferated in the market with Digital Inks and has launched the Archer+ technology used in our both PIKE® and JAVELIN® Digital textile printers. This technology enables their users to reach new, unrivalled levels of printing resolution and print even the most complex designs at astonishing quality levels, even at a lower number of passes.

At parallel with the product developments, Mr. Wani also spearheaded various employee engagement programmes in the company for their efficient development. Stovec undertook an initiative called as –"Lakshya" programme, wherein different departments of the company took up several projects, which resulted in lot of information gathering, knowledge creation, innovation, design and product development and value engineering.

Stovec delights its customers by offering customers pre-sales techno-economic advice, efficient sales, installation, commissioning & prompt after sales support. Its extensive experience in rotary screen printing along with excellent application knowledge ensures perfect printing results. Stovec having more than 4 decades of experience, complete integrated solutions for rotary printing, deep technical know-how alongwith world class manufacturing facility and drive to innovation, helps our customers to makes us their reliable printing partner, leading them into future by providing them the best products & services.

In the field of textile printing, innovation is key to maximise potential and stay ahead of the competition. That's why we continuously strive to upgrade our technologies to suit the most varying demands of future. The vision of company is to continue be the undisputed global market leadership for rotary screen printing and digital printing. Thus justifying the brand promise "All you need in printing."

Textile engineering courses should improve

THE Indian textile engineering industry is one of the core engineering sector of the Indian economy. With installed capacity of over ₹10,000 crore, TEI supplies ₹6,000 crore worth of machines while remaining demand is met through imports.

Growth of textile industry is definitely dependent on strong and vibrant TEI. But existing government policies, lack of research and development centre, lack of upgradation and local practices have affected the industry growth believes Rajnikant Bachkaniwala of Himson Textile Engineering P Ltd , a part of famous Himson group manufacturing world class textile machines since 1971.

According to Bachkaniwala, due to ease in imports and substantial reduction in duty of imported machinery, it has been difficult for the local industry to compete with imported machines. "In fact local TEI is at a disadvantage by permitting imports of second hand machines. This has resulted in stagnancy of new developments efforts by local industry. No significant R&D work is being done as a result we lag behind technology upgradation."

The industry also faces strong internal competition. Currently there are too many new players who simply import machines from places like China and sell them posing as manufacturers. This practice too is affecting the manufacturing capability of the industry. With improved scale of operation, the current players need modern manufacturing set up to meet the changing demand and existing competition.

Local manufacturers believe that TEI can become a competitive hub and can produce world class machineries for both local and global markets at competitive rates if sufficient efforts are put into modernisation of this industry. India already ranks amongst top manufacturer in spinning segment. The manufacturers see no reason why it cannot achieve the same in other segments.

"Current machines required by the industry needs lot of modernisation and automation compared to machines available in International market. This is where our industry lags behind. It calls for support from the government to have a dedicated research and development centre. Also education in textile engineering needs to be improved so that we can have good design and manufacturing engineers." opined Bachkaniwala.

Rajni S. Bachkaniwala, *Chairman, Palod Himson P. Ltd. & President MANTRA*

* RED (READ. ENGAGE. DELIVER.) IS THE MARKETING SOLUTIONS TEAM OF THE INDIAN EXPRESS GROUP