MONDAY, 29 APRIL 2024
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Business Standard

How markets performed last week

	Index on Apr 26, '24	*One-week	% chg over Dec 29, '23 Local currency	% chg over Dec 29, '23 in US $
Sensex	73,730	0.9	2.1	1.9
Nifty	22,420	1.2	3.2	3.0
Dow Jones	38,240	0.7	1.5	1.5
Nasdaq	15,928	4.2	6.1	6.1
Hang Seng	17,651	8.8	3.5	3.3
Nikkei	37,935	2.3	13.4	1.0
FTSE	8,140	3.1	5.3	3.3
DAX	18,161	2.4	8.4	5.0

#As on April 19; *Change (%) over previous week Source: *Bloomberg*

EARLY BIRD TOP LINE GROWTH FASTEST IN FOUR QUARTERS

PVT INVESTMENT PUSH: 200 MORE GATI SHAKTI TERMINALS ON CARDS

PUBLISHED SIMULTANEOUSLY FROM AHMEDABAD, BENGALURU, BHOPAL, BHUBANESWAR, CHANDIGARH, CHENNAI, HYDERABAD, KOCHI, KOLKATA, LUCKNOW, MUMBAI, NEW DELHI AND PUNE

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WILL HAVE 50K TRAINED TO LEVERAGE GENAI THIS YEAR, SAYS HCLTECH CEO

WORLD P8

MUSK IN BEIJING IN BID TO PUSH TESLA AUTOPILOT TECH

PUBLISHED SIMULTANEOUSLY FROM AHMEDABAD, BENGALURU, BHOPAL, BHUBANESWAR, CHANDIGARH, CHENNAI, HYDERABAD, KOCHI, KOLKATA, LUCKNOW, MUMBAI, NEW DELHI AND PUNE

APOLLO HOSPITALS PLANS ₹3K CR CAPEX

Apollo Hospitals Enterprise will see investments of around ₹3,000 crore in the next three years. The hospital chain operator will use ₹890 crore from the deal with private equity firm Advent International for organic and inorganic expansion, said Chief Financial Officer Krishnan Akhileswaran, emphasising that the entry of Advent into Apollo HealthCo is likely to be a 'change agent' for the company. 2

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The IBC has served the purpose by creating the fear of god among rogue promoters. It's time to plug the loopholes in the law and make the defaulters understand that the IBC isn't just all bark and no bite, writes TAMAL BANDYOPADHYAY 15

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Q&A 'IT'LL BE A VOTE FOR POLITICS OF PERFORMANCE'

Early bird top line growth fastest in four quarters

BFSI leads the charge; IT, manufacturing laggards in Q4 so far

RAM PRASAD SAHU & KRISHNA KANT
Mumbai, 28 April

The revenue growth of early birds or companies that have declared their Q4FY24 (March quarter) numbers is the highest in the last four quarters.

The 178 companies (excluding their listed subsidiaries) that declared their results till Saturday have reported a sales growth rate of 13.2 per cent year-on-year (Y-o-Y), taking aggregate revenue to ₹9.1 trillion.

Including other income, growth is at 16 per cent, the highest in the last four quarters.

Earnings growth for these companies came in at 12.7 per cent, which was better both on a Y-o-Y basis as well as sequentially.

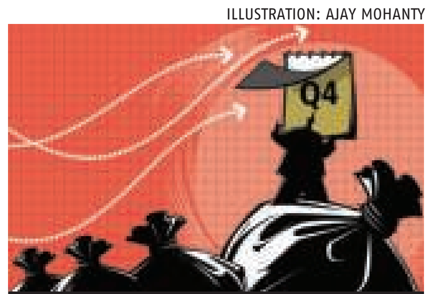
Over the year-ago quarter, the Q4 bottom line was up 310 basis points while it gained 110 basis points over the December quarter.

About 70 per cent of incremental profit came from the banking, financial services and insurance (BFSI) sector alone.

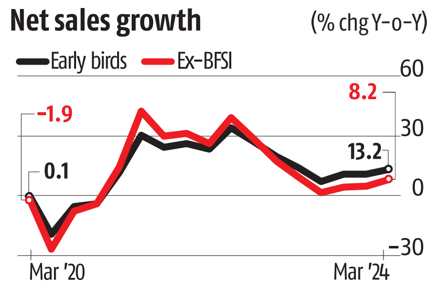
Early-bird results are dominated by software majors and companies in the banking and financial services space with about a third of these companies belonging to these two sectors.

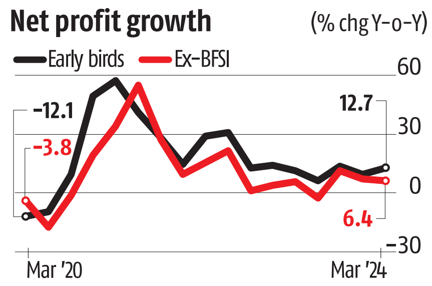
As was the case in the previous quarters, BFSI companies have led on revenue as well as net profits. The gross interest income of the BFSI sector was up 30.3 per cent Y-o-Y at ₹2.36 trillion. Turn to Page 2

ILLUSTRATION: AJAY MOHANTY



EARLY BIRDS' SNAPSHOT





Note: Based on early bird sample of 178 firms;
BFSI: Banking, financial services and insurance
Source: Capitaline; compiled by BS Research Bureau

PRIVATE INVESTMENT PUSH

200 more Gati Shakti terminals on the cards

DHRUVAKSH SAHA
New Delhi, 28 April

The Ministry of Railways is planning to offer another 200 Gati Shakti Cargo Terminals (GCTs) to corporate houses and freight operators for their rail-based supply chains buoyed by the response received so far, a senior government official told *Business Standard*. According to estimates, the 200 terminals may require around ₹12,000-14,000 crore private investment.

In her Union Budget speech of 2022-23, Finance Minister Nirmala Sitharaman had announced the Centre's plan to set up 100 GCTs in three years.

"The response to the first 100 GCTs has been impressive, and shows that there is appetite in the private sector – both freight operators and manufacturers – to invest in rail transit infrastructure. As soon as the first 100 GCTs are bid out, we have plans to establish 200 more terminals in the coming years," the official said. Turn to Page 7

The additional Gati Shakti Cargo Terminals may need up to ₹14,000 cr private funding

'Taiwan keen to help India lead in chip'

Taiwan is keen to collaborate with India and help it become a leader in the semiconductor space, Jason Ho (*pictured*), chairman, Taiwan Chamber of Commerce in India, said, asserting that the Taiwanese firms have the supply chain for things that the Indian market needs. 16

ATM deployers may get a boost

Higher cash withdrawal may cost more

RAGHU MOHAN
New Delhi, 28 April

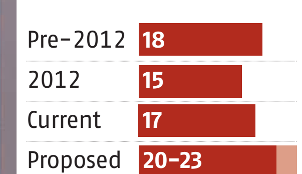
The cost structure of automated teller machine (ATM) channels is likely to get an update. The interchange fee — paid by the card-issuing bank when a customer swipes at another banks' ATM, including at white-label ATMs — may be raised to ₹20-23. Higher cash withdrawals, meanwhile, may soon attract an additional convenience charge.

Also, differential pricing may be deployed for customers in underpenetrated centres to aid withdrawals by direct benefit transfer (DBT) beneficiaries.

This is part of the recent deliberations between the Confederation of ATM Industry (Catmi) and the Reserve Bank of India (RBI). It comes amid fresh orders for ATMs and cash recycling machines hitting 45,000 between September 2023 and March 2024. Turn to Page 7

CASHING IN

ATM interchange fee (₹)



■ ATM operation costs have risen due to rentals, fuel costs, cash-loading charges, and home ministry security norms

IN BRIEF

Former TechM India biz head sets up AI startup

Former Tech Mahindra India business head Jagdish Mitra *(pictured)* has set up an AI startup with a proposed initial investment of ₹65-80 crore. The startup is likely to commence operations in the next three months. "We will start going to customers in 8-12 months. Initially, we will invest $8-10 million," Mitra — one of the contenders for the post of Tech Mahindra CEO position after CP Gurnani resigned — told *PTI*. "Cost arbitrage factor, driven by manpower, is going to be seriously impacted. It will be driven by values. We need to move from a cost-driven proposition to a value-driven proposition," he added. **PTI**

Need to be watchful about steel imports: T V Narendran

As steel imports continue to surge, Tata Steel Chief Executive Officer T V Narendran has said there is a need to be watchful about the situation. The comment comes at a time when India has reported a 38 per cent surge in steel imports to 8.31 million tonnes, becoming a net importer of the commodity during the 2023-24 financial year. Speaking to *PTI*, the industry executive said, "It would be a pity if the situation continues in the long run. We have to be watchful about imports." **PTI**

Boult IPO likely next year: Co-founder Varun Gupta

Indian consumer tech brand Boult plans to go public next year, with a revenue benchmark of ₹1,000 crore in FY25, as it expands into international markets and new categories, according to its co-founder Varun Gupta. In an interview with *PTI*, Gupta spoke in detail about his vision to make the Indian company global, listing out the homegrown brand, and his ambitious targets for this financial year. "We are not focusing on initial public offering (IPO) this year, our primary focus is to foray into offline markets, international geographies, and new categories, but possibly in the next year," he said. The young entrepreneur said the company has set an internal touchstone for itself before it goes public. **PTI**

Vedanta best-placed to ride rising commodity prices

Vedanta Ltd is likely to see less pressure on cash flows after liability management at the holding company level and is now best placed to ride rising commodity prices, analysts said. Improved performance in aluminium, power and zinc enabled the company to turn in Ebitda of ₹87,600 crore in the January–March quarter, up by 4 per cent quarter-on-quarter. This was attributable to lower cost of production in aluminium, zinc and higher sales volume. **PTI**

The ePlane to develop electric air taxi prototype by March 2025

Chennai-based startup The ePlane Company expects to develop a certifiable prototype of a flying electric taxi by March next year as it works on ways to alleviate urban congestion. Incubated out of the IIT Madras, the company also aims to initially commercialise its drones that can carry a payload of 2-6 kilograms in the coming months, according to a senior executive. According to the firm, an ePlane will take only 14 minutes to reach a place that will take 60 minutes by a personal vehicle. **PTI**

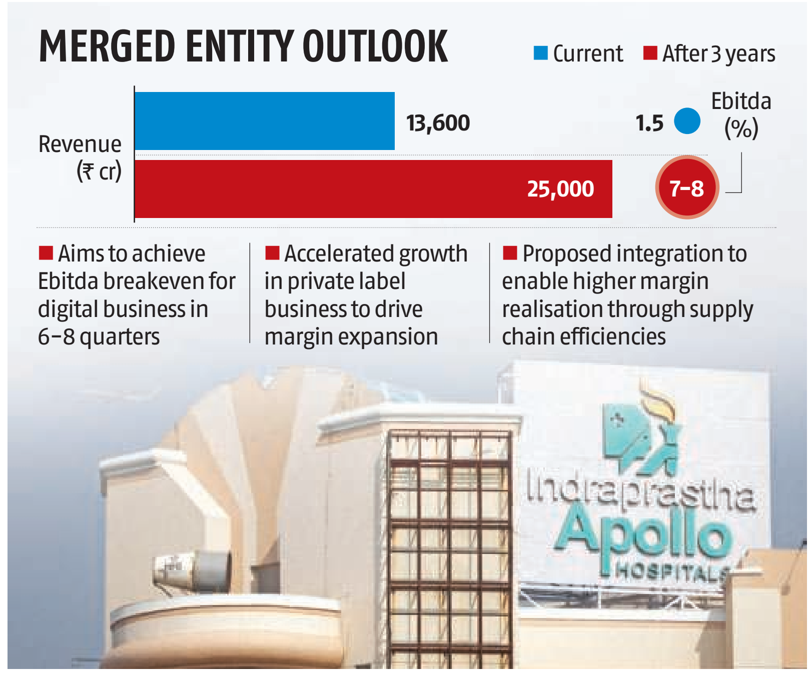
FPIs dump ₹6,300 cr equities in April on rise in US bond yields

Foreign Portfolio Investors (FPIs) pulled out domestic equities worth ₹6,300 crore in April on concerns over tweaks in India's tax treaty with Mauritius and sustained rise in US bond yields. FPIs made a net outflow of ₹6,304 crore in Indian equities this month (till April 26), data showed. "The trigger for this renewed FPI selling, in both equity and debt, is sustained rise in US bond yields. The 10-year bond yield now stands at around 4.7 per cent, which is attractive for foreign investors," V K Vijayakumar, chief investment strategist, Geojit Financial Services, said. **PTI**

Apollo lines up ₹3,000 cr capex after Advent deal

Hospital chain will spend ₹890 cr of ₹2,475 crore deal for expansion

SHINE JACOB
Chennai, 28 April



Apollo Hospitals Enterprise (AHEL) will see investments of around ₹3,000 crore in the next three years. The hospital chain operator will use ₹890 crore from the deal with private equity firm Advent International (Advent) for organic and inorganic expansion, a top executive said on Friday, emphasising that the entry of Advent into Apollo HealthCo is likely to be a 'change agent' for the company.

AHEL will add around 700 beds per year. Advent and Apollo HealthCo entered into a deal through which Advent will invest ₹2,475 crore into Apollo HealthCo, a wholly-owned subsidiary of AHEL. Keimed, a wholesale distribution company owned by the promoters of the Apollo Group, will also get merged into Apollo HealthCo.

Of the total ₹2,475 crore consideration, ₹860 crore will be used for the expansion of Apollo HealthCo and ₹890 crore will be paid to the parent company AHEL. Advent will invest in compulsory convertible instruments over two tranches to secure a 12.1 per cent stake in the merged pharmacy entity, which will have an enterprise value of ₹22,481 crore.

"If you look at the fund of ₹2,475 crore that is coming into the company, ₹890 crore comes back to AHEL. Clearly, there is an opportunity for us to use some of this money for the growth of Apollo itself. It should be organic and inorganic growth in our core strategic markets," said Krishnan Akhileswaran, Chief Financial Officer of the company.

Apollo HealthCo has a presence in digital healthcare (Apollo 24/7) and pharma distribution business.

The combined entity is expected to deliver ₹25,000 crore of revenue in three years with 7-8 per cent Ebitda, up from around ₹13,600 crore and 1.5 per cent now. This growth will be achieved through Apollo 24/7 breakeven in six to eight quarters, higher margin realisation through supply chain efficiencies, and accelerated growth in the private label business, said Akhileswaran.

"Keimed merger is a huge positive for the group. The merger will raise the number of pharmacies to 70,000. This will be a good value for accretion when it comes to Apollo shareholders. Now, 59.7 per cent of the company is held by Apollo Hospitals. Because of the merger, 25.7 per cent will be held by Keimed promoters," he added.

In Chennai, AHEL is planning to come up with a 500-bedded Med City in the Old Mahabalipuram Road area. This will see an investment of around ₹950 crore.

"We hope to start the construction soon and will take three years to launch it. It will have some of the best clinical programmes in cardiac, oncology, neuroscience, and orthopedics. We are betting big on international tourism, as well," Akhileswaran added.

Pharmacies in India are growing at around 12 per cent and Apollo looks to expand its presence in the segment. "Large players like us would like to believe that with the combination of Apollo Pharmacy which itself is growing at a rapid pace, we would like to believe that we can easily grow this business at over 20-25 per cent for the long term," he said.

AdaniConneX raises ₹11,520 cr for data centres

DEV CHATTERJEE
Mumbai, 28 April

Construction financing is a core element of the AdaniConneX capital management plan, enabling us to deliver a data centre solution firmly rooted in sustainability and environmental stewardship

JEYAKUMAR JANAKARAJ
CEO, AdaniConneX

AdaniConneX, a joint venture equally owned by Adani Enterprises and EdgeConneX of the US, has raised up to $1.44 billion (₹11,520 crore) for funding its upcoming green data centres, the company announced on Sunday.

The financing has an initial commitment of $875 million, with an accordion feature to extend commitment up to $1.44 billion. The transaction elevates AdaniConneX's construction financing pool to $1.65 billion, building on the maiden construction facility of $213 million executed in June 2023, the company said.

"This successful exercise is a testament to the collective resolve of the parties to meet the challenges of establishing sustainable and robust digital infrastructure, thereby pushing norms and setting new industry benchmarks," said Jeyakumar Janakaraj, CEO of AdaniConneX.

"Construction financing is a core element of the AdaniConneX capital management plan, enabling us to deliver a data centre solution firmly rooted in sustainability and environmental stewardship. We are delighted to embark on this journey alongside our esteemed international banking partners," he said.

The new data centre facilities will employ state-of-the-art technologies and renewable energy solutions to minimise the ecological footprint while optimising operational efficiency. The sustainability-linked financing reinforces AdaniConneX's commitment towards driving a safety-first culture, delivering world-class power usage effectiveness (PUE) by adopting global best practices, and leveraging renewable energy resources, the company said.

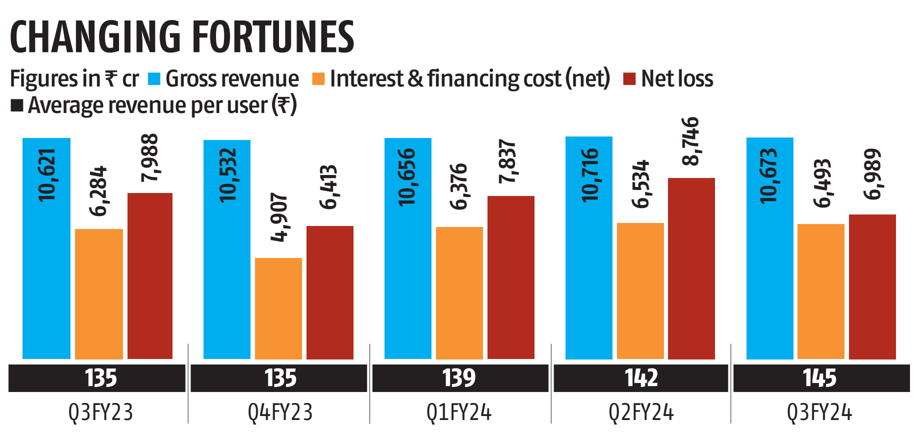
The new facility is touted as a solution of a syndicated guarantee-backed assurance programme in sync with the projects' procurement strategy. The company has signed definitive agreements with eight international lenders – ING Bank N.V, Intesa Sanpaolo, KfW IPEX, MUFG Bank Ltd., Natixis, Standard Chartered Bank, Société Générale and Sumitomo Mitsui Banking Corporation.

Access to a wide pool of liquidity strengthens the company's strategy to fast-track the implementation of portfolio assets in sync with accelerating demand.

This transformative approach towards financing is a significant step towards building sustainable digital infrastructure that will fuel economic progress and accelerate India's digital growth.

Vi FPO rings in vigour for telecom sector, may reduce subscriber loss

SUBHAYAN CHAKRABORTY
New Delhi, 28 April



Vodafone Idea's (Vi) recently concluded ₹18,000 crore follow-on public offer (FPO) has reinvigorated the telecom sector, as it may reduce subscriber erosion of the beleaguered telco, analysts said.

"While this FPO provides VIL with a way out and shift from its current 'full of concerns' status — to finally — a 'going concern' — it also reinvigorates the sector," Nuvama institutional equities said in an analyst report.

It stressed that the telco would need to raise tariffs soon.

"Given the multiple rounds of unilateral indirect tariff hikes that Bharti has taken over the last two years – it is highly likely that it will follow suit if VIL decides to take any substantial across-the-board tariff hike. Jio, with its eyes on a potential IPO in the coming years, would not want to let go of this opportunity, to increase its profitability and return on capital employed – given it already has a 45 per cent subscriber share in the industry," it said. The largest ever FPO in India saw 1,636 crore shares issued at ₹11 per piece. Since their listing on Thursday, the share price was affected by ATC Telecom Infrastructure selling its entire 2.8 per cent stake in Vi and closed at ₹13.45 on Friday. Analysts believe the latest fund-raise by Vi may stop the massive customer attrition being faced by the telco for two years now. With Vi's fund-raise, subscriber market share gains for its competitors Reliance Jio and Bharti Airtel could moderate to some extent, Kotak Institutional Equities said in a report. Stopping the massive churn of users is of utmost importance to Vi, which has lost 16.25 million subscribers in the first 11 months of FY24, according to data from the Telecom Regulatory Authority of India (Trai).

Since November 2023, the telco has lost more than a million subscribers every month. Its wireless market share fell to 18.93 per cent at the end of February, down from 20.7 per cent in February 2023.

Global investment banking and financial services major UBS gave a neutral rating to Vi.

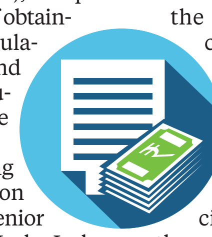
"While Vodafone Idea has recently increased capex, its overall spending remains materially below that of Airtel and Jio, continuing to put the company at a disadvantage. Upside risk includes a material fund-raise by the company leading to investments in the network and regaining of market share," it said in an analyst report. Others said the telecom sector may be affected little by a weakening Vi.

"The long-term sector outlook remains buoyant as market consolidation has left just two strong players underscoring the opportunity for the monetisation of 5G and tariff hikes, and once VIL's debt moratorium (AGR + spectrum liability) expires in November 25E, its ₹40,000 crore revenue size may offer a strong market share growth opportunity in two years," financial services firm Motilal Oswal said.

The telco has to pay ₹12,000 crore to the government between Oct 2025 and Mar 2026, taking into account both principal and interest. Subsequently, it needs to pay ₹43,000 crore annually for five years, or from FY27 till FY31.

RCap lenders put Hinduja Group arm on deadline

PRESS TRUST OF INDIA
New Delhi, 28 April



Concerned over slow progress, the lenders to debt-ridden Reliance Capital (RCap) have asked the Hinduja Group outfit IndusInd International Holdings Ltd (IIHL), to expedite the process of obtaining necessary regulatory approvals and stick to the resolution plan deadline of May 27.

In a meeting held in Mumbai on Friday with the senior officials of IndusInd International Holdings', the lenders of RCap said the company has to make a payment of ₹9,650 crore to them by the said date, a source said.

It is to be noted that the National Company Law Tribunal (NCLT) Mumbai, while approving the resolution plan on February 27, directed the IIHL to implement the resolution plan within 90 days i.e. May 27.

As per the approved resolution plan, IIHL has to make an upfront payment of ₹9,650 crore to the RCap lenders.

According to the sources, the lenders expressed concerns over the slow progress towards the implementation of RCap resolution plan, as IIHL is yet to receive the crucial Irdai approval on the resolution plan.

The Irdai has raised multiple queries and concerns over the proposed corporate structure for the transfer of RCap's insurance businesses to IIHL, and the company is yet to address those concerns.

CII tells startups to keep valuations 'realistic'

RAGHAV AGGARWAL
New Delhi, 28 April

The Confederation of Indian Industry (CII) on Sunday urged Indian startups to keep their valuation "realistic" and distinguish between the goals of the organisation and its founder.

"Startups may strive for long-term value creation rather than short-term valuations. The valuations of businesses should be kept as realistic as possible," CII said in its Corporate Governance Charter for Startups.

The industry body explained that the charter for startups aimed to make them responsible corporate citizens and enable them a share it with stakeholders to establish themselves as being well-governed. "The needs of the business entity should be separated from the personal needs of its founder(s), but at the same time, the goals and needs of the founders, promoters, and initial investors should be aligned with the long-term goals of the business," it added. The charter also stated that the startup should be maintained as a separate legal entity with the organisation's assets distinct from the founders' assets.

"Trust-based coherent working should be promoted between the founder, executive management, and the board," it said, adding that it was important to maintain adequate internal controls and accountability to third parties. The charter emphasised the external auditing of startups.

"It is important to ensure the maintenance of proper books of accounts, establish transparent policies and procedures to ensure the independence and effectiveness of audit functions, and integrity of reporting," it said.

CII-IGBC expects surge in pvt capex, FDI after LS polls

India will see a surge in private capital expenditure (capex) and foreign direct investment (FDI) after the conclusion of the ongoing elections, according to CII – Indian Green Building Council (IGBC). The body, however, warned that India Inc had to remain competitive while embracing sustainability.

ANJALI SINGH

FROM PAGE 1

BFSI show led by robust credit growth, higher fee income

Their earnings growth too was steady at 22.4 per cent, the highest in four quarters. Axis Bank was the biggest contributor to incremental profits in the BFSI space.

The performance in the BFSI space, especially by the banking sector, was led by strong credit growth, higher fee income, and healthy asset quality though margins were under pressure due to higher deposit rates.

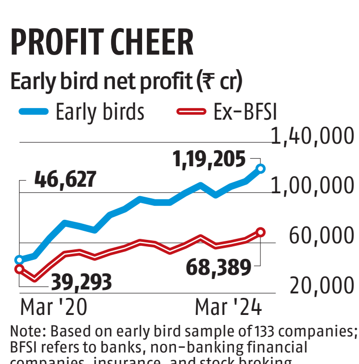
Excluding the BFSI space, sales growth dropped to 8.2 per cent while earnings growth slipped to 6.4 per cent, the lowest in three quarters. While the oil and gas sector's revenue growth at 10.1 per cent was lower than the overall growth of the 178 companies, net profits of the companies in this sector fell 3.1 per cent Y-o-Y. This is largely due to a decline in consolidated net profits of Reliance Industries by 1.8 per cent due to a higher tax outgo in the quarter.

What has pulled down revenue growth for the early birds is the performance of information-technology (IT) companies and non-BFSI, non-oil and gas (manufacturing) companies.

The top line growth of the 14 software companies that have declared their results has been flat. Barring a few, most IT majors have either registered a fall or recorded low single-digit growth.

Despite strong order wins and higher total contract values, managements have maintained their cautious outlook for the near term as clients put discretionary spend on hold and instead give priority to cost optimisation deals.

Barring select sectors, companies in manufacturing have struggled. Commenting on the performance of the companies in the non-BFSI and IT sectors, Deepak Jasani, head of retail research at HDFC Securities, said companies in the real estate and hotel sectors had shown strong sales and profit growth Y-o-Y and this was also the case with auto companies.



Note: Based on early bird sample of 133 companies; BFSI refers to banks, non-banking financial companies, insurance, and stock broking
Source: Capitaline; Compiled by BS Research Bureau

While Indian Hotels registered a 27 per cent increase in net profits, Bajaj Auto and Maruti Suzuki saw a net profit growth rate of 18 per cent and 47.8 per cent, respectively. Some metal companies could be a drag on top line front, given the Y-o-Y fall in realisations, he added.

Excluding the BFSI space, sales growth dropped to 8.2 per cent while earnings growth slipped to 6.4 per cent, the lowest in three quarters

Some of the early birds also include fast-moving consumer goods heavyweights Hindustan Unilever and Nestle. Growth in volumes for companies in this space has been muted with demand challenges in the rural segment remaining high. Most companies in the sector benefited from falling raw material costs at gross level though at operating level this was not captured, given higher advertising and marketing costs.

Aggregate operating profit margins were up 160 basis points Y-o-Y to 30.8 per cent with some gains from the raw material front as well as employee costs.

Gaurang Shah, senior vice-president, Geojit Financial Services, said: "When there is pressure on volumes, companies focus on operational efficiencies and take steps to cut costs. This helps them improve their margins."

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'Will have 50K fully trained to leverage GenAI by FY25'

Among the large IT players, HCLTech's fourth quarter performance in FY24 has been industry leading. The firm's revenue guidance of 3–5 per cent growth for FY25, though soft compared to its FY24 figure, is still strong against Infosys' 1–3 per cent. **C VIJAYAKUMAR**, chief executive officer (CEO) and managing director (MD), HCLTech, in a video interview with **Shivani Shinde** and **Ashutosh Mishra**, says that its challenger position is working in favour of the firm. Edited excerpts:

Fourth quarter FY24 performance looks really soft. Could you just walk us through what happened during the quarter? Also, despite a strong total contract value (TCV), the guidance for FY25 is also on the softer side.

When we started FY24, there was cautious optimism around growth in line with the market momentum at that time. There were signals of reduced discretionary spends and slowdown in some key verticals. We as a company reacted to that with agility and flexibility. For FY24, our revenue growth was 8.3 per cent and our services business grew 5.4 per cent. These are industry leading. Our services performance in Q4 has been very strong and software has a seasonality issue, so that impacts the performance. For guidance, we've assumed a similar discretionary spend environment in FY25 as compared to FY24.

Do you see things improving during the next two-three quarters? What's the sense that you're getting from clients and customers?

In some verticals, we definitely feel confident that things will improve. But in others, I'm still assuming, at least in the next couple of quarters, things may not.

Some peers are saying that a lot of the spends are moving to GenAI kind of projects, which means slower uptick in business. Is that the sense that you were also getting?

There is definitely a lot of interest in GenAI, and we see a lot of traction in AI and GenAI-related opportunities where companies are looking for realistic and pragmatic benefits. Still, the services spend on GenAI is not significant enough. But it is definitely growing every day.

HCLTech has been an outlier when compared to peers like TCS and Infosys. You have grown in the US and in the banking, financial services and insurance (BFSI) vertical. What worked for HCLTech?

Q&A

We have the highest focus in North America, the largest services market, and that's why we've been very successful in the US. Almost 64 per cent of revenue comes from the US. Similarly, BFSI is the largest vertical, and we've taken some big bets, like focusing on asset and wealth management as well as hybrid Cloud adoption. Insurance is a big vertical bet. In some of these areas where we invested in, we also won several clients in the last 3-4 years. Many of them are scaling up. I think these are some reasons why we have good outcomes in the US as well as in BFSI. We are also benefiting from the momentum on vendor consolidation. The big deal that we won was also consolidation. Generally, we've been positioned as a challenger in a lot of the large accounts where we are starting small and those accounts are expanding quite nicely.

Do you see this momentum continuing for you?

"We see a lot of traction in AI and GenAI-related opportunities where firms are looking for realistic and pragmatic benefits. Still, services spend on GenAI is not significant enough"

C VIJAYAKUMAR
CEO and MD, HCLTech

The underlying momentum, yes, but there could be some tactical things like we've done a divestiture of State Street. So, such things will have an impact, but the underlying momentum will continue.

How is HCLTech planning to grow its GenAI services?

One big focus is on skilling. By this financial year, we'll have about 50,000 people fully trained to leverage GenAI. We're also putting a lot of focus on GenAI developers and people who can really do all the architecture and programming. I think skill is also equally important to drive growth in this segment. We are focused on both.

HCLTech is an outlier when it comes to hiring trends. The pyramid structure which it started focusing on, is that playing out well for the firm?

Yes, I think in FY22 and FY23, we had a good intake of freshers. We had almost doubled it during that time. In 2024, because growth was moderating, our fresher intake came down. We took about 12,000 people, and I think this strongly correlates with the growth in the business. In years where the growth is low, we'll have lesser freshers, and when growth picks up, we'll have more freshers.

More on business-standard.com

The electoral rolls for the Lok Sabha polls are in multiple languages. Electoral rolls in **Arunachal Pradesh, Meghalaya, Mizoram, Nagaland, Sikkim and Tripura were in English** in 2019

The rolls in **North and South Kolkata** seats were in **English**, while in **Darjeeling**, the rolls were in **Bengali and Nepali**

Shehzada insulted maharajas, silent on nawabs: Modi

Cong says PM twists every statement by Rahul Gandhi

ARCHIS MOHAN & PTI
New Delhi, 28 April

At his public meetings in Karantaka on Sunday, Prime Minister Narendra Modi accused Congress leader Rahul Gandhi of insulting India's rajas and maharajas, but remaining silent on the atrocities committed by nawabs, nizams, sultans, and badshahs for the sake of appeasement politics.

The Congress responded by saying Modi "maliciously twists" every statement of Gandhi to stoke communal prejudices since he had become desperate because the election slipped away from the BJP.

In a post on 'X', Congress leader Jairam Ramesh said: His (Modi's) exit is inevitable and his realisation of that is making him more and more desperate. His campaign speeches are shameful really."

The Congress leadership, including Gandhi, alleged the Sangh Parivar opposed reservations and intended to change the Constitution.

The day saw other notable developments, including the Telugu Desam Party (TDP) chief N Chandrababu Naidu stating in Nellore that a National Democratic Alliance (NDA) alliance government in Andhra Pradesh, comprising his party and its allies, Bharatiya Janata Party (BJP) and Jana Sena, would provide financial aid of ₹1 lakh to Muslim pilgrims who visited Mecca. Polling for Andhra's 25 Lok Sabha seats and 175 Assembly constituencies will take place simultaneously on May 13. In an interaction with the Muslim community in Nellore, Naidu said his party had earlier been a constituent of the NDA but never allowed any kind of injustice to be done to the community.

In Punjab, the Shiromani Akali Dal (Amritsar) said it would support radical Sikh preacher Amritpal Singh, who has decided to contest from the Khadoor Sahib parliamentary constituency as an Independent candidate. In Chandigarh, SAD (A) President Simranjit Singh Mann said his party would withdraw its candidate from the seat after Amritpal filed his nomination papers. Polling for Punjab's 13 seats is scheduled in the last phase on June 1, and the nomination process will start from May 7.

In Karnataka, addressing back-to-back rallies in Belagavi, Sirsi, Davangere and Hosapete, Modi repeated his allegation the Congress would introduce an "inheritance tax" and that its leadership would "X-ray" people's property. "These people will raid every house and capture your assets. After capturing, they are talking about redistributing it, they want it to give it to their loved vote bank...will you allow this loot to happen?" Modi asked.

Prime Minister Narendra Modi during a rally in Uttara Kannada on Sunday PHOTO: PTI

"You might have heard the Congress' shehzada's recent statement — he says Bharat's rajas and maharajas were atyachari (oppressive)," the PM said. "He (Gandhi) has accused them (rajas and maharajas) of usurping the lands and properties of people and poor ... Congress' shehzada has insulted great personalities like Chatrapati Shivaji Maharaj and Kittur Rani Chennamma, whose administration and patriotism inspires us even today," the Prime Minister said, adding that the Congress leader failed to remember Mughal emperor Aurangzeb's oppression.

Addressing a public meeting in Daman, Gandhi said Rashtriya Swaymsevak Sangh chief Mohan Bhagwat was opposed to reservations. He said the RSS and BJP were intent on abolishing the Constitution and various institutions to make their leaders "kings" of the country and help "20-22 billionaires".

"Narendra Modiji and RSS want to rule the country like the erstwhile kingdom," he said, adding that the BJP and RSS want "one country, one language and one leader" (system).

'It'll be a vote for politics of performance'

Donning traditional dhoti-punjabi to counter Chief Minister Naveen Patnaik's lungi-clad video message, which the Bharatiya Janata Party (BJP) claims is not Odia culture, Union Minister for Education and Skill Development & Entrepreneurship **DHARMENDRA PRADHAN** says this election is all about fighting for *Odia Ashmita* (pride). In a conversation with **Ramani Ranjan Mohapatra** in Sambalpur, from where he is contesting, Pradhan speaks about the National Democratic Alliance securing over 400 seats, the Narendra Modi government's alternative energy initiatives, and unemployment issue. Edited excerpts:

"DESPITE RULING ODISHA FOR 24 YEARS WITH HUGE MANDATES, THE NAVEEN PATNAIK GOVERNMENT HAS FAILED IN FIVE KEY AREAS — HEALTH, EDUCATION, AGRICULTURE, MIGRATION, AND WOMEN'S SECURITY"

DHARMENDRA PRADHAN
Union Minister for Education and Skill Development & Entrepreneurship

What are the issues deciding the elections this time around?
There is a clear signal that the Modi government will secure a third consecutive term, this time with over 400 seats. In Odisha, the Prime Minister's popularity is more than 90 per cent. In 2019, the BJP won eight of the 21 seats in Odisha. We are winning all 21 seats this time. The Modi government has allocated ₹18 trillion to Odisha between 2014 and 2024, against the ₹3 trillion sanctioned by the Congress-led government in the previous decade.

A record 3.4 million houses have been built under the Pradhan Mantri Awas Yojna in Odisha. Significant funds have been allocated for railways, airports, the Mahatma Gandhi National Rural Employment Guarantee Scheme, Covid management, and the free rice scheme. For the Assembly elections, we created our voter base in 2019. Despite ruling Odisha for 24 years with huge mandates, the Patnaik government has failed in five key areas — health, education, agriculture, migration, and women's security.

What has the Biju Janata Dal government done to address migration? Why do people migrate despite Odisha having rich resources? The state government lacks vision and relies on propaganda. According to the latest National Crime Records Bureau report, Odisha ranks fourth in reported cases of women abuse.

Flareups in West Asia threaten the crude oil prices. As a former oil minister, how do you think India should navigate?
It's a challenging situation, but I think energy diversion is key here. The Centre has rolled out the PM Suryaghar Yojna, which provides free electricity to the poor in India. Energy management is a futuristic and long-term process. India has found alternative energy solutions and will go ahead with its plan.

What are your achievements as education minister? Has the debate over National Education Policy (NEP) 2020 settled?
There has been no debate. I think this is for the first time after Independence that we have a document that is based on such wide suggestions. It has found acceptability among all states. The NEP shows a paradigm shift in education, and talks about self-reliance and self-employability.

Q&A

You are also minister for skill development and entrepreneurship. Multiple surveys by agencies suggest unemployment is a key election issue this time? How do you respond?
The recent data shows a decline in the unemployment rate in India. This is a subject that needs regular intervention. Innovation, technology, disruptions, and new economy are all associated with employment, and the Modi government has created a long-term road map. India is one of the world's startup-centric countries. It is home to more than 120,000 startups. There are 20-25 startups in Sambalpur only. The nature of the job is changing.

As the principal Opposition party in Odisha, what was the need for an alliance talk with the BJD? Where did the talks fail?
We are going solo in Odisha. Our state unit president, Manmohan Samal, has made it very clear in his post on X. We were never for an alliance, they (BJD) needed it. The BJD had supported us in Parliament on some key issues with national importance. Our state chief has thanked the BJD for this.

The poor in Odisha will benefit only if there is a Modi government here. We have our viewpoint on Odia identity and Odisha pride, and we are not going to deviate from that.

In the runup to the 2019 elections, the BJP's top leadership mounted an all-round attack on the Patnaik government. The stance changed just after the polls and the tone has changed again now. Doesn't this confuse the voters?
There is no confusion among voters. They are clear that they are forming a Modi government with a formidable majority.

How feasible is *abki baar 400 paar* slogan, given the BJP contesting a little more than 400 seats and weaker allies than in 2019?
We are confident about the number. In Maharashtra, we have the Nationalist Congress Party (Ajit Pawar faction) and Shiv Sena (Shinde group). In Bihar, we have Nitish Kumar. We have a strong alliance with social engineering groups in Uttar Pradesh. Today, the BJP is standing like a huge banyan tree. The year 2014 is a landmark for the BJP. We are seeing a trend of a single-largest party since 2014 thanks to PM Modi's developmental works. It will be a vote for the politics of performance this time.

More on business-standard.com

ALL IN A DAY

Arvinder Singh Lovely quits as Delhi Congress chief

In a setback to the Congress, senior leader Arvinder Singh Lovely resigned as the party's Delhi unit chief on Sunday, citing the alliance with the AAP as one of the reasons. He said the Delhi Congress unit was against the alliance but the party high command went ahead with it. In his resignation letter sent to Congress president Mallikarjun Kharge on Saturday, Lovely said he found himself 'handicapped' as all unanimous decisions taken by senior Delhi unit leaders have been 'unilaterally vetoed' by AICC Delhi in-charge Deepak Babria. **PTI**

K'taka obscene video case: Govt launches SIT probe

The Karnataka government on Sunday constituted a Special Investigation Team (SIT) to probe an alleged scandal involving incumbent Hassan MP Prajwal Revanna, grandson of former Prime Minister HD Deve Gowda. The move came following a letter by the Chairperson of Women's Commission Dr Nagalakshmi Chowdhary to the government. The SIT will be headed by B K Singh, Additional Director General of Police, CID. Singh headed the SIT that successfully cracked the murders of Gauri Lankesh and M M Kalburgi. **PTI**

AAP claims EC has banned its poll campaign song

The AAP on Sunday claimed the Election Commission (EC) has imposed a ban on the party's Lok Sabha campaign song, 'Jail ke jawab mein hum vote denge', stating that it shows the ruling BJP and central investigation agencies in a bad light. There was no immediate response from the poll panel to the AAP's claim. Senior AAP leader Atishi said, "It is probably the first time that the EC has imposed a ban on a party's campaign song." According to the EC, she said, the song shows the ruling party and investigation agencies in a bad light. **PTI**

Anantnag-Rajouri an uphill challenge after delimitation

ARCHIS MOHAN
New Delhi, 28 April

In 2019, at 125,465, the Anantnag Lok Sabha constituency had the third lowest number of total electors after Lakshadweep and Daman & Diu. At 8.98 per cent, it also saw the lowest voter turnout in the last Lok Sabha elections.

However, after the delimitation, the constituency now has an electorate of 1.92 million and comprises 18 assembly segments, including 11 in Kashmir and seven in Rajouri-Poonch. The change in its demographic has added layers of political complexities to the constituency with Pahari-Gujjar, Jammu versus Kashmir dimensions.

CONSTITUENCY WATCH
Anantnag-Rajouri

In 2019, amid low voter turnout, Peoples Democratic Party's (PDP) Mehbooba Mufti was at third spot with National Conference's Hasnain Masoodi winning the contest. Mehbooba had won the seat in 2004 and 2014, while her father, Mufti Mohammed Sayeed, won in 1998 on a Congress ticket. Mehbooba's fight in the upcoming poll might be an uphill contest as the character of the seat has changed after delimitation.

The National Conference (NC) has fielded Altaf Ahmad, a tribal leader. Mohammad Saleem Paray is Ghulam Nabi Azad-led Democratic Progressive Azad Party's candidate, and J&K Apni Party has fielded Zafar Minhas. The Bharatiya Janata Party and J&K People's Conference have not fielded any candidates. Indications are that the two might provide behind the scenes support to the Altaf Bukhari-led Apni Party.

The contest, however, is between former Chief Minister Mehbooba and Altaf, who is also supported by the Congress. Altaf's family members have been active in electoral politics, winning nine Assembly polls since 1967. Several of the parties have petitioned the Election Commission to postpone the polling in Anantnag pointing to inaccessibility. However, the PDP and NC have opposed any delay in the polls.

Among national parties, BSP's candidate owns fewest assets

Baluswamy owns less than an average Indian household

ANOUSHKA SAWHNEY
New Delhi, 28 April

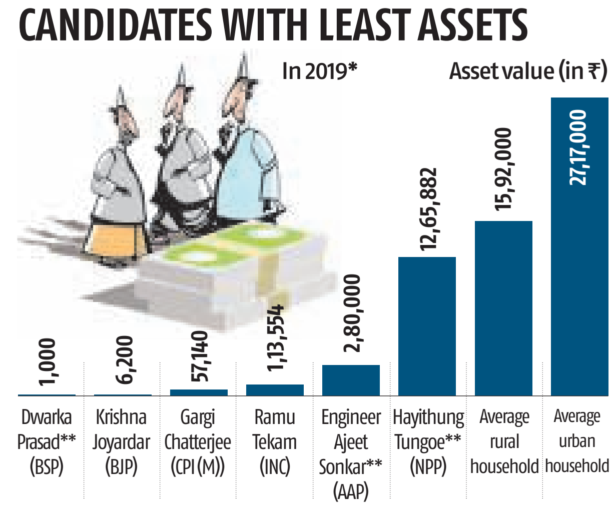
The candidate with the lowest declared assets from most national parties owns less than the average Indian household.

Ranjithkumar Baluswamy from the Bahujan Samaj Party (BSP) possesses the fewest assets among candidates contesting in Phases I and II of the 2024 Lok Sabha elections across national parties, according to an analysis of data from tracker Myneta.info and affidavits from the Election Commission of India. Hailing from Tamil Nadu, Baluswamy has declared assets totalling ₹23,000, all of which are moveable. In contrast, the wealthiest candidate from BSP (Majid Ali from Saharanpur) boasts assets valued at ₹159 crore.

The total value of assets in the affidavit may differ from the actual sum of values as reported on Myneta.info. The analysis considers the total value provided in the affidavit, unless stated as nil, and focuses on candidates with the lowest assets from each national party. According to the latest data available in the All India Debt & Investment Survey, 2019, the average assets per rural household were ₹15.9 lakh, and ₹27.2 lakh per urban household.

Most of the candidates with the lowest declared assets from each national party have assets lower than the average Indian. The exceptions are Mazel Ampareen Lyngdoh from the National People's Party (NPP) and Rishiraj Kaundinya from the Aam Aadmi Party (AAP).

CANDIDATES WITH LEAST ASSETS



Note: *Candidates who contested in the 2019 Lok Sabha polls;
** sum of assets as per affidavit is different from the total value

In 2024*	Asset value (in ₹)
Ranjithkumar Baluswamy (BSP)	23,000
Mukesh Dhangar (INC)	1,25,016
Vanlalhmuaka (BJP)	11,03,075
T.M. Thomas Issac (CPI (M))	13,38,909
Average rural household	15,92,000
Average urban household	27,17,000
Mazel Ampareen Lyngdoh** (NPP)	2,22,13,833
Rishiraj Kaundinya** (AAP)	2,91,41,753

Note: Figures for candidates with lowest assets from each national party;
*data of candidates contesting in Phase 1 and 2 of 2024 elections;
** sum of assets as per affidavit is different from the total value

Sources: Myneta.info, All India Debt & Investment Survey, 2019

Following Baluswamy, Congress candidate Mukesh Dhangar had assets worth ₹1.3 lakh, Vanlalhmuaka from the Bharatiya Janata Party (BJP) had ₹11 lakh, Travancore Mathew Thomas Isaac had roughly ₹13.4 lakh, NPP's Mazel Ampareen Lyngdoh had ₹2.2 crore, and AAP's Rishiraj Kaundinya possessed ₹2.9 crore.

The wealthiest candidate from Congress and BJP has assets worth ₹716 crore and ₹278 crore, respectively.

In the 2019 general elections, BSP candidate Dwarka Prasad had the lowest declared assets, at ₹1,000. Krishna Joyardar from the BJP had the second-lowest assets of ₹6,200. Next was Gargi Chatterjee from the Communist Party of India (Marxist) with ₹57,140 in assets.

Fertility rates linked to education, wealth

SAMREEN WANI
New Delhi, 28 April

Income levels and the number of years a person spends in school are inversely related to the size of families they decide to raise.

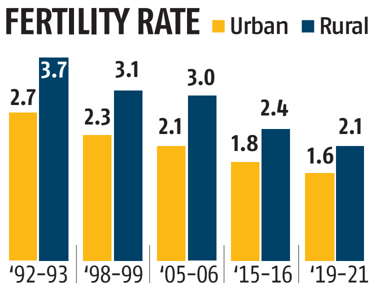
The total fertility rate, or the average number of children that women give birth to in their lifetime, is lower at higher levels of wealth and education.

Research also suggests that the role of religion may be more limited when compared to other factors. The total fertility rate is 1.6 for the wealthiest 20 per cent of the people, according to data collected in the fifth round of the National Family Health Survey (NFHS-5) conducted in 2019-21. This rises to 2.6 per cent for the bottom 20 per cent.

Women with 12 years or more of schooling have 1.78 children on an average during their lifetime. The figure is 2.82 for those with no schooling. According to the NFHS, wealth quintiles are compiled by 'assigning the household score (based on the number and kind of consumer goods they own) to each household member, ranking each person in the household population by his/her score and then dividing the distribution into five equal categories."

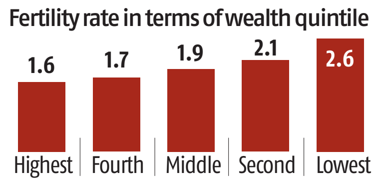
There are also regional divides. Those living in rural areas tend to have more children than those in urban settings. The trend is not closely linked to religion.

FERTILITY RATE



FERTILITY RATE RISES WITH POVERTY...

Fertility rate in terms of wealth quintile



...AND DECLINES WITH EDUCATION

Fertility rate in terms of education level

No schooling	2.8
<5 years complete	2.3
5-7 years complete	2.2
8-9 years complete	2.1
10-11 years complete	1.9
12 or more years complete	1.8

Note: Total fertility rate shows the average number of children born to a woman in her life time
Source: National Family Health Survey

Districts with high Hindu fertility saw high Muslim fertility as well and those with low Hindu fertility saw low Muslim fertility. This is according to a 2018 study entitled 'Hindu-Muslim Fertility Differentials in Major States of India: Indirect Estimation at District Level from Census 2011' from author Saswata Ghosh of the Centre for Health Policy.

"Generally, it has been observed that, in areas with considerable decline in fertility, there is hardly any district that has a very high fertility level among Muslims," it said.

Muslims tend to have among the lowest median years of schooling (4.3 years), compared to Hindus (4.9 years), Sikhs (7 years), Christians (7.2 years) and Jains (9.8 years).

A larger share of the Muslim population has the second lowest wealth quintile (19.6 per cent) after Hindus (20.5 per cent).

Muslim women are not just having fewer kids this decade but are also opting for longer birth spacing than before.

A Muslim woman (aged 40-49 years) on an average had 5.83 children in her lifetime, according to the first round of the NFHS-1, 1992-93.

In the latest NFHS survey (NFHS-5, 2019-21), the ratio was 3.6. The number of children per Hindu woman declined from 4.78 to 2.92 in the same period.

Meanwhile, the all-India average declined to 2.98 children per woman compared to 4.84 in NFHS-1.

Muslim women also practice longer birth spacing compared to Hindu women and Indian women on an average. The median time between consecutive pregnancies was 34 months for Muslim women compared to 32 months for Hindu women.

An Indian woman had a median birth interval of 33 months.

Muslim women had comparatively shorter birth intervals in 2005-06.

In **Puducherry,** the electoral rolls were in **Tamil, Telugu, and Malayalam.** In **Goa**, the electoral rolls were in **Konkani, Marathi, and English**

Tamil Nadu's **Arakkonam** had the rolls in **Tamil and Telugu, Kanniyakumari and Nilgiris** had the rolls in **Malayalam and Tamil,** and **Chennai** saw those in **Tamil and English**

The Andhra story: Growing populism vs rising debt

Ahead of the Assembly polls, the state's economic health is in focus as it has consistently breached the fiscal deficit in eight of the last 10 years since Telangana's formation. **INDIVJAL DHASMANA** explains

In the lead-up to the May 13 elections for a 175-member Assembly, Andhra Pradesh's fiscal health is under scrutiny. The state that enjoyed a revenue surplus for at least five consecutive years until Telangana's formation in 2014-15 has since struggled to balance its books.

The revenue deficit, or the excess of current expenditure over current receipts, hit 3.3 per cent of Andhra's gross state domestic product (GSDP) in 2022-23. It was projected to shrink to 2.2 per cent in the Revised Estimate for 2023-24, marking the twilight of the YSR Congress Party's (YSRCP's) current rule. The Covid-19 pandemic exacerbated the deficit, pushing it to 3.6 per cent of GSDP in 2020-21.

Under the previous Telugu Desam Party (TDP) administration, the revenue deficit was relatively contained, never exceeding 2.5 per cent of GSDP. However, this period did not face a crisis akin to Covid-19, which strained most states' revenues.

The upcoming Assembly elections see the YSRCP government, led by Y S Jagan Mohan Reddy, challenged by the National Democratic Alliance (NDA), comprising the TDP, Bharatiya Janata Party (BJP), and Jana Sena Party. The Congress-led INDIA bloc is also vying for power.

Since 2014-15, Andhra Pradesh's revenue balance has been in deficit, with revenue expenditure constituting 80-96 per cent of total expenditure in six of the past 10 years. This leaves little room for capital outlay, which may have never exceeded 12.2 per cent of total expenditure under either the TDP or YSRCP government.

The state government's fiscal deficit remained within the permissible limit only once under Jagan Mohan Reddy's rule, in 2021-22. The Centre relaxed the fiscal deficit limits for states due to the Covid-19 pandemic, allowing up to 5 per cent of GSDP with certain conditions for 2020-21. However, Andhra's deficit touched 5.6 per cent of GSDP that year. It was also 4.1 per cent during 2019-20, exceeding the permissible limit of 3 per cent at the time. The deficit stood at 4 per cent of GSDP in 2022-23 and is projected to rise to 4.2 per cent in the Revised Estimates of 2023-24. States are now permitted a fiscal deficit of 3.5 per cent of their respective GSDP, with 0.5 per cent tied to power sector reforms.

Under the previous TDP rule, the state government's fiscal deficit met the permissible limit of 3 per cent of GSDP only in 2014-15.

The YSRCP regime's widening fiscal deficit has increased the state's debt burden. The outstanding debt has never fallen below 30 per cent of GSDP during the current regime. Under the TDP, the highest level of debt was 28.8 per cent of GSDP in 2016-17.

Despite this, the state government is implementing a system guaranteeing a monthly pension of 50 per cent of the employee's last drawn basic pay. If the pension received under the new pension system (NPS) is less than the guaranteed amount, the state government will cover the shortfall. The system's immediate impact on the exchequer is negligible, but repercussions will be felt when NPS employees start retiring from the mid-2030s.

Jagan Mohan Reddy, in his party's manifesto, has promised to increase annual financial assistance to farmers under Rythu Bharosa to ₹16,000 from the current ₹13,500. This includes ₹6,000 from the Centre under its PM-Kisan Samman Nidhi. With the BJP manifesto retaining the assistance at ₹6,000, the YSRCP would increase its assistance to farmers from ₹7,500 to ₹10,000. The party also pledged to raise the welfare pension to ₹3,500 from the current ₹3,000 and to enhance or continue other benefits for women and weaker sections.

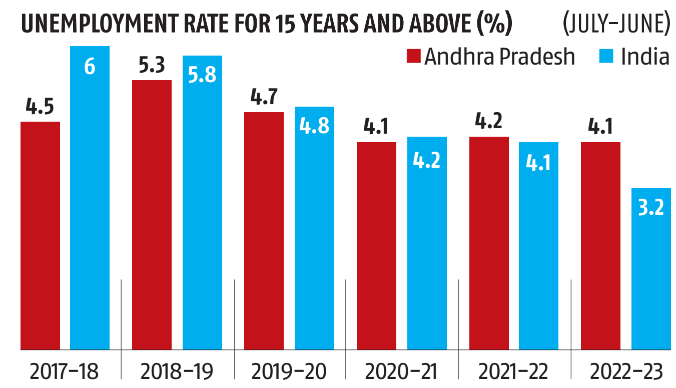
The TDP has yet to release its manifesto, but party national general secretary and Chandrababu Naidu's son Nara Lokesh has promised a suite of guarantees. These include a ₹20,000 annual financial assistance to farmers, ₹15,000 per school-going child per year, three free cooking gas cylinders per household per year, and ₹1,500 per month to women aged 18 to 59 years. Lokesh also promised a monthly unemployment allowance of ₹3,000 and the creation of two million jobs. Unemployment in the state has recently been higher than the national average. For instance, 4.1 per cent of those willing to work (above 15 years of age) were unemployed in 2022-23, compared to 3.2 per cent nationally, according to the periodic labour force survey (PLFS). However, the PLFS does not capture hidden unemployment and underemployment.

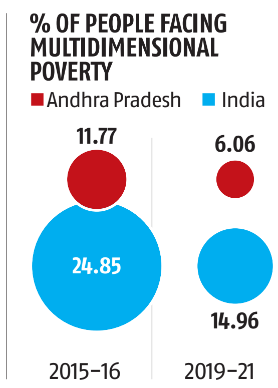
Despite these challenges, the state has a lower proportion of people in multidimensional poverty. Its per capita income has consistently exceeded the national average, even after Telangana's formation in 2014. In fact, its per capita income was about 30 per cent higher than the national average for most of the YSRCP rule. The first year of the previous TDP rule saw the state's per capita income 8.4 per cent higher than the national average. By the time the TDP left government, the state's per capita income was 22.3 per cent higher than the national average.

For the past four years, the state's monthly average retail inflation has been higher than the national level. This was also the case in two years of the TDP rule — 2015-16 and 2016-17.

STATE OF THE ECONOMY

	TDP RULE					YSRCP RULE				
	2014–15	2015–16	2016–17	2017–18	2018–19	2019–20	2020–21	2021–22	2022–23	2023–24
Real GSDP growth (%)	9.2	12.2	8.3	10.1	5.4	3.7	1.5	9.6	5.8	7.3
Real GDP growth at national level (%)	7.4	8	8.3	6.8	6.5	3.9	−5.8	9.7	7	7.6
State per capita income as % of all-India per capita income	108.4	113.9	115.1	120	122.3	121.1	132.1	130.7	129.7	132.3
State economy as % of national economy	4.2	4.4	4.4	4.6	4.6	4.6	4.9	4.9	4.8	4.9
Avg monthly retail inflation rate in AP (% Y-o-Y)	5.5	7.4	5.3	3.4	1.1	3.5	8.4*	5.7*	7.6	5.5
Avg monthly retail inflation rate at all-India level (% Y-o-Y)	6.2	5.6	5	3.6	3	4.2	5.8*	5.2*	6.8	5.4
Own tax revenue as % of revenue receipts	47	45	44.6	49.9	51.2	51.9	49	47.1	49.5	48.7€
AS % OF TOTAL EXPENDITURE										
Revenue expenditure	92.5€	64.2	69.7	82.5	78.41	79.1	88.1	89.6	95.7	89.6€
Capital outlay	6.7€	35.8$	30.3$	9.2	12.2	7	10.9	9.2	3.4	11.9€
AS % OF GSDP										*&
Revenue deficit	1.3	1.2	2.5	2	1.5	2.7	3.6	0.7	3.3	2.2€
Fiscal deficit	3	3.5	4.5	4	3.9	4.1	5.6	2.1	4	4.2€
Debt	28.3	28.5	28.8	27.8	28	31	36.5	31.5	32.4€	33.3*





€Revised Estimates, & Budget Estimates, *past 10 months, $ capital expenditure
Source: Budget documents, RBI, PRS Legislative Research, Periodic Labour Force Survey, NITI Aayog, MoSPI

Andhra Pradesh CM Y S Jagan Mohan Reddy, in the YSRCP's manifesto, has promised to increase annual financial assistance to farmers under Rythu Bharosa to ₹16,000 from ₹13,500 currently PHOTO: PTI

STORY IN NUMBERS

CANDIDATES IN THE FRAY: TAMIL NADU AND GUJARAT AT OPPOSITE ENDS

ARCHIS MOHAN

Tamil Nadu, which polled in the first phase of the Lok Sabha polls on April 19, saw the sharpest increase in total number of contestants on its 39 seats, from 850 candidates in 2019 to 950 in 2024. Gujarat, scheduled for polling in the third phase on May 7, and where the nomination process is complete, has witnessed the steepest decline in the number of contestants in the fray for its 26 seats, from 371 five years ago to 266 in 2024.

In Gujarat, the result has already been declared for the Surat Lok Sabha seat, where nominations of 12 candidates were rejected, including that of the Congress' candidate, because of discrepancies. Apart from the Bharatiya Janata Party (BJP)'s Mukesh Dalal, eight others, whose nominations were accepted, withdrew from the contest. As a result, the EC announced Dalal as elected unopposed. Hence, Gujarat, on the rest of its 25 seats has 265 candidates. It is the least number of candidates in the fray that the state has witnessed since 2004 when 162 candidates contested on its 26 seats. The number of candidates contesting in Gujarat was 359 in 2009, it dropped to 334 in 2014, and then increased to 371 in 2019.

However, Gujarat isn't the only state to see a decline in the number of contestants in the 2024 Lok Sabha polls. For example, in Kerala, the number of candidates contesting its 20 seats is 194. It is the lowest for the southern state since 2004, when 177 candidates were in the fray. In 2009, 217 candidates were battling for its 20 seats, which increased to 269 in 2014 and declined to 227 in 2019.

If compared with the 2019 Lok Sabha polls, the number of candidates has also declined marginally in Assam, Tripura, Karnataka, Manipur, and Nagaland and UTs of Andaman and Nicobar Islands, Dadra Nagar Haveli and Daman and Diu, and Lakshadweep. The number of candidates has substantially increased in Chhattisgarh, from 166 in 2019 to 220 in 2024; it also witnessed an uptick in Arunachal Pradesh, Goa, Meghalaya, Rajasthan, Sikkim, Uttarakhand, and Puducherry.

BJP leader Mukesh Dalal receives the 'certificate of election' after he was elected unopposed recently from the Surat Lok Sabha seat, following the rejection of 12 nominations. Eight others withdrew nominations PHOTO: PTI

The rise and fall

Number of contestants in states/UTs where nomination process and/or polling got over in 2024 Lok Sabha polls

State (total no of LS seats)	No of candidates 2014	2019	2024	Chg*
Andaman & Nicobar Islands (1)	15	15	12	▼3
Arunachal Pradesh (2)	11	12	14	▲2
Assam (14)	162	145	143	▼2
Chhattisgarh (11)	211	166	220	▲54
Daman & Diu and Dadra & Nagar Haveli (2)	15	15	12	▼3
Goa (2)	19	12	16	▲4
Gujarat (26)	334	371	266	▼105
Karnataka (28)	434	478	474	▼4
Kerala (20)	269	227	194	▼33
Lakshadweep (1)	6	6	4	▼2
Manipur (2)	18	19	10	▼9
Meghalaya (2)	10	9	10	▲1
Mizoram (1)	3	6	6	▲▼0
Nagaland (1)	3	4	3	▼1
Puducherry (1)	30	18	26	▲8
Rajasthan (25)	320	249	266	▲17
Sikkim (1)	6	11	14	▲3
Tamil Nadu (39)	845	850	950	▲100
Tripura (2)	25	23	18	▼5
Uttarakhand (5)	74	52	55	▲3

*change vis-à-vis the 2019 polls

Sources: ECI 2019 Atlas, *affidavit.eci.gov.in*

From challenger to threat

Bharat Adivasi Party in the past elections cornered a major portion of tribal votes in Rajasthan. It is now eyeing Lok Sabha seats reserved for Scheduled Tribes across states, reports **NITIN KUMAR**

"*Ek teer, ek kaman, saare adivasi ek saman* (one bow, one arrow, all tribals are equal)": Thousands chanted as they gathered to witness the culmination of a rally by a 31-year-old tribal leader, Rajkumar Roat, at Aadivasi Prerna Sthal Ganji Ghata, located at a hilltop in Rajasthan's Dungarpur district where only a sparse scattering of humble abodes interrupts the rugged landscape.

Amid the scorching heat, the crowd's fervour intensified, backing their young leader and candidate from the Banswara Lok Sabha seat (which polled last Friday) as he emphasised that this election signifies more than just a political event — "it's a revolution".

"This election is about safeguarding our constitution and tribal rights," declared the founder of Bharat Adivasi Party (BAP) and two-time MLA. Protecting the constitutional rights of adivasis, advocating for Bhil Pradesh statehood, reservation and enhancing their access to education, health care, and economic opportunities form the core election agenda of the BAP.

Social media players, whose influence extends far beyond the physical confines of the event, played a crucial role to ensure the success of the rally at the BAP's birthplace. With three-fourths of the supporters comprising youth and teenagers armed with smartphones, these enthusiastic attendees became instant broadcasters, sharing the electrifying atmosphere live on social media platforms.

Amid weak mobile networks in rocky areas, frustrations mounted among the youth, underscoring their ongoing struggle. "Internet access remains a luxury here. Is this what development looks like?" questioned Shiv Pawra, a vocal supporter. "We back the BAP to ensure our voices, unable to be digitally transmitted, are heard in Delhi through our physical representatives."

The BAP has fielded candidates in over 30 seats across the country. In Banswara, the BAP contested as part of the INDIA bloc.

The BAP's rally stage strategy also involved providing space for the Congress, Left parties, and the minority community. Despite initial hesitation, Congress MLAs in Banswara forged an alliance with the BAP amid the latter's growing influence. "Congress MLAs are apprehensive about the possibility of losing their seats in the next Assembly polls due to the BAP's growing influence. They did not oppose this alliance as it ensures the Congress retains some seats in Banswara," explained Pradeep Meena, a local Congress supporter in Dungarpur.

Currently, of the eight Legislative Assembly seats under the Banswara Lok Sabha constituency, four are heldby the BJP, three by the Congress, and one by the BAP.

While Roat stood to gain from the alliance, the late tie-up between the BAP and the Congress resulted in Congress candidate Arvind Sita Damor being unable to withdraw his nomination. However, according to the alliance partners, Damor's failure to withdraw was at the behest of Bharatiya Janata Party (BJP) candidate Mahendrajeet Singh Malviya.

Malviya was a minister in the Ashok Gehlot-led Congress government from 2021 to 2023. While Congress suspended Damore for his failure to withdraw from the race and his alleged association with Malviya, the challenge extended beyond Damor. INDIA bloc supporters expressed concern over two other Independent candidates sharing the same name, Rajkumar, adding complexity to the electoral landscape.

"The BJP is resorting to various tactics, including deploying lookalikes and fielding candidates with identical names, in their bid to secure victory in this seat," said Rajender Pargi from Amarpura.

To address this complexity, the BAP organised hundreds of groups, comprising both men and women from each village, tasked with educating voters. Their mission: To clarify that four candidates named Rajkumar were in the contest, and that voters must ensure to check for the hockey and ball symbol, located on the fourth position on the voting machine.

Rajkumar Roat (*3rd from left*) with BAP supporters during a recent rally in Dungarpur. His candidature is from the Banswara Lok Sabha seat is backed by INDIA bloc parties PHOTO: NITIN KUMAR

"The strength of the BAP lies in its utilisation of social media, the thunderous presence of volunteer groups, and a strategic approach to educate and empower first-time voters about their rights," explained Afzal Razak, a dedicated BAP supporter who has travelled approximately 800 km from Haryana's Mewat to Banswara. He emphasised that the BAP's relentless commitment to selfless service for the community is expanding each day.

Roat also criticised Prime Minister Narendra Modi for allegedly targeting minorities in his Banswara rally, and labelling tribals as "urban naxals".

Roat entered politics during his college days at SBP Government College in 2013 and was elected MLA in 2018 on a Gujarat-based Bharatiya Tribal Party (BTP) seat. He parted ways with the six-year-old BTP and established BAP just months before the December 2023 Rajasthan Assembly election. Since then, the BAP has rapidly extended its influence, reaching across more than 12 states. With the presence of four MLAs — three in Rajasthan and one in Madhya Pradesh — the party's swift ascent underscores its emergence as a formidable force in the political landscape.

In its inaugural political foray in Rajasthan in 2023, the BAP didn't just secure victory in three seats, four of its candidates also were in the runner-up position. Roat's historic triumph in Chorasi stood out, clinching victory with a remarkable margin of 69,166 votes, the second highest in the state.

With 47 of 543 Lok Sabha seats reserved for STs, Roat is determined to expand its presence.

IN BRIEF

Govt to hold two-day summit on critical minerals from today

The government will hold a two-day summit on critical minerals beginning Monday to foster collaboration, share knowledge and drive innovation in the field of critical mineral beneficiation and processing. The Ministry of Mines, in collaboration with the Shakti Sustainable Energy Foundation (Shakti), Council on Energy, Environment and Water (CEEW), and Indian Institute of Sustainable Development (IISD), will hold "Critical Minerals Summit: Enhancing Beneficiation and Processing Capabilities" from April 29 to 30, 2024, in New Delhi.The summit will bring together a diverse array of domestic and international stakeholders, including industry leaders, startups, government officials, scientists, academics, and policy experts, the mines ministry said in a statement. **PTI**

Weekend update

ICICI Bank's profit rises 17% in Q4, NIM slips to 4.4%

The net profit of private lender ICICI Bank rose by 17.4 per cent to ₹10,708 crore in the fourth quarter of financial year 2023-24 (Q4FY24) on the back of growth in net interest income and advances. Sequentially, the net profit grew 4.24 per cent from ₹10,272 crore in the third quarter of financial year 2023-24. The net interest income (NII) of the lender increased by 8.1 per cent to ₹17,667 crore from ₹19,093 crore. The net interest margin (NIM) slipped to 4.4 per cent in the reporting quarter as compared to 4.90 per cent in the year ago period. Sequentially, the NIM was at 4.43 per cent in the third quarter. **AATHIRA VARIER**

YES Bank Q4 profit more than doubles to ₹452 crore

YES Bank's net profit more than doubled on a year-on-year (Y-o-Y) basis to ₹452 crore for the quarter ended March (Q4FY24) due to a sharp rise in non-interest income. Sequentially, the Mumbai-based lender's profit rose by 95.2 per cent from ₹231 crore in the quarter ended December (Q3FY24), the bank said in a statement on Saturday. Its stock had closed 0.73 per cent higher at ₹26.15 per share on Friday on the BSE. As for annual performance, its net profit for FY24 rose 74.4 per cent to ₹1,251 crore from ₹717 crore for FY23. **ABHIJIT LELE**

Vande Bharat Metro trial to begin in July

The Ministry of Railways, which has been working on the inter-city version of the Vande Bharat – VB Metro, is likely to have the train's trial run in July, according to senior government officials aware of the matter. "Vande Metro trains are oriented towards high acceleration with frequent stoppages. These trains will have 12 coaches each, large automatic doors with side seats," the official said.The Vande Metro trains will eventually ply between 100-250 km distances connecting 124 cities across the country. Identified routes include Lucknow-Kanpur, Agra-Mathura, and Tirupati-Chennai, among others. **DHRUVAKSH SAHA**

RBI PAPER

Policy expectations affect stocks more than rate moves

PRESS TRUST OF INDIA
Mumbai, 28 April

Equity markets are impacted more by the expectations of future monetary policy than the policy rate surprises on the day of announcement of the policy by the Reserve Bank, said an analysis.

According to a working paper prepared by RBI officials, the regulatory and development measures which are announced along with the monetary policy too impact the stock markets. "...equity markets are affected more by the changes in the market's expectations of future monetary policy (path factor) than the policy rate surprise (target factor) which is in agreement with the conventional thinking that central banks are forward-looking," the paper said.

The volatility in equity markets on the day of policy announcement, it said, "is affected by both target and path factors, as markets digest the policy announcements and traders adjust their portfolios throughout the day". RBI Working Paper on 'Equity Markets and Monetary Policy Surprises' is prepared by Mayank

The RBI paper analyses the impact of monetary policy declarations on returns and volatility in the BSE Sensex

Gupta, Amit Pawar, Satyam Kumar, Abhinandan Borad and Subrat Kumar Seet from the Department of Economic and Policy Research, Reserve Bank of India.

The paper analyses the impact of monetary policy announcements on the returns and volatility in the BSE Sensex by decomposing changes in Overnight Indexed Swap (OIS) rates on policy announcement days into target and path factors. The target factor captures the surprise component in central bank policy rate action, while the path factor captures the impact of central bank's communication on market expectations regarding the future path of monetary policy.

While the short duration windows are aimed at controlling for other potential drivers of equity prices, it may be noted that the monetary policy announcements are accompanied by regulatory and developmental measures which can also impact markets, the paper said.

The sparse trading on occasions in the OIS markets as well as other domestic and global developments during the narrow window can also impact the analysis, it added.

The analysis covers the period starting with the implicit adoption of a flexible inflation targeting regime in India (January 2014) and ends in July 2022. The Reserve Bank of India (RBI) introduced the RBI Working Papers series in March 2011. The central bank said the views expressed in the paper are those of the authors and not necessarily those of the institution(s) to which they belong.

L&T Fin set to enhance borrowings, tap ECBs

ABHIJIT LELE
Mumbai, 28 April

With the impending rate-easing cycle, L&T Finance plans to enhance short-term borrowings via commercial papers (CPs) by up to 15 per cent from the current 5 per cent and also tap external commercial borrowings (ECBs).

It plans to increase securitisation of part of existing loans to get money at competitive rates. At present, securitisation forms a small portion (₹400 crore) of the resource mobilisation, Sachinn Joshi, chief financial officer (CFO), L&T Finance, told *Business Standard*.

There is strong demand for priority sector loans (PSL) from foreign banks.

As the interest rate scenario starts turning downwards — perhaps in the second half of the financial year — it opens up avenues. Joshi said whatever increase in short-term rates seen earlier is changing and they have actually come down in the last 10 days.

Any incremental requirement of funds can be raised through this route (short-term funds).

At present, securitisation forms a small portion (₹400 cr) of the resource mobilisation

But the market is going to remain volatile. "We will try to keep raising through CPs to take advantage of the low rates," the CFO said. He said the company enhanced the borrowings for PSL. It comes at a concessional rate (about 1-1.5 per cent benefit). The expanding portfolio of tractor finance and micro loans has helped raise funds on this (PSL) route.

Banks may have to slow down loan growth: S&P

Indian banks' credit growth, profitability and asset quality would remain robust in current financial year reflecting strong growth, but they may be compelled to slow down their loan growth as deposits are not growing at a similar pace, S&P Global Ratings has said.

In the Asia-Pacific 2Q 2024 Banking Update, S&P Global Ratings Director SSEA Nikita Anand said the agency expects the sector's strong credit growth to moderate to 14 per cent in FY25, from 16 per cent in FY24, if deposit growth, especially retail deposits, remain tepid. **PTI**

Export figures for FY04, FY14, and FY24 show interesting trends

EXIM MATTERS

T N C RAJAGOPALAN

The Commerce Ministry has released the quick estimates of exports and imports figures for March 2024. The figures for the full year 2023-24 are now available, and that enables an assessment of the export figures for 2003-04, 2013-14, and 2023-24.

The total merchandise exports figures went up from \$63.84 billion in 2003-04 to \$314.40 billion in 2013-14 (a rise of \$250.62 billion), and now stand at \$437.06 billion (a rise of \$122.65 billion). So, while the merchandise exports grew almost four-fold during 2004-14, they grew by a little over a third during 2014-24. The services exports, however, grew from \$46 billion in 2003-04 to \$167 billion in 2013-14 (a rise of \$123 billion) and to \$340 billion in 2023-24 (a rise of \$173 billion from 2013-14). Thus the rise in exports of services is more than the rise in the exports of merchandise in the past ten years.

The chapter-wise disaggregated export figures are available up to April-January 2024. So, if the percentage shares, rather than absolute figures, of some major commodities are examined, some interesting trends emerge. First, the share of petroleum products (Chapter 27) in our exports basket has stagnated around 20 per cent in the past ten years. The share of gem and jewellery (Chapter 71) exports (7.7 per cent) have halved during the past 20 years. The share of pharmaceuticals (Chapter 30) has doubled in 20 years but still is only around 5 per cent.

The shares of chemicals (Chapters 28 and 29) at 5.2 per cent and farm, marine etc. products (Chapters 1 to 24) at 11.01 per cent have stagnated in 20 years. The share of cotton including yarn, fabrics etc. (Chapter 50) at 5.4 per cent has gone up from 3.9 per cent two decades back. The share of highly labour intensive readymade garments (Chapters 62 and 63) has gone down from 8 per cent to 3 per cent in 20 years. The success story is that of engineering products exports (Chapters 72 to 89) whose share in our total exports went up from 18.78 per cent in 2003-04 to 21.33 per cent in 2013-14, and now stands at 29.01 per cent. The share of other products has halved at 13.06 per cent in the past 20 years. From these figures, it is clear that engineering and petroleum products account for almost half of our exports.

A look at the destination of our exports shows that our shipments to our neighbours in South Asia at 5.8 per cent have stagnated in the past 10 years. Shipments to West Asia (15.38 per cent) are slightly higher than what it was 20 years back (14.74 per cent). Exports to East Asia have fallen from 24.93 per cent in 2003-04 to 20.25 per cent. Exports to North America (19.89 per cent) are almost the same as two decades back (19.60 per cent). In 20 years, Europe's share of our exports has gone down from 24.54 per cent to 22.49 per cent.

The share of Latin America at 3.43 per cent has stagnated in the past 10 years. Only 6.03 per cent of our exports went to Africa in 2003-04 but that share went up to 9.96 per cent in 2013-14 and is now 10.46 per cent. Shipments to other destinations went up from 2.03 per cent in 2003-04 to 4.81 per cent in 2013-14 before coming down to 2.28 per cent in 2013-14.

So, the broad message is that North America, Europe and Asia take in 83.83 per cent of our exports. Hopefully, our policymakers will draw the right inferences and lessons from these figures.

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FROM PAGE 1

ATM deployers may get a boost...

The figure is nearly a sixfold increase over the preceding comparable period. This is also more than the 225,000 ATMs set up between Demonetisation in November 2016 and the current tally of 260,000.

In effect, the report of the Committee to Review the ATM Interchange Fee Structure is back in play. The RBI had constituted the committee to give a fillip to ATM deployment in unbanked areas. The panel, headed by Indian Banks' Association's then chief executive officer V G Kannan, had submitted its report to the banking regulator on October 22, 2019. "We expect the revisions to come through once the new government is sworn in (after the 2024 general elections)," said a source.

The interchange fee was raised to ₹17 from ₹15 for financial transactions and to ₹6 from ₹5 for non-financial transactions, effective August 1, 2021. But the current interchange fee at ₹17 is lower than ₹18 in 2012, when it was cut to ₹15.

"Costs have gone up because of rentals, fuel costs, cash-loading charges, and adherence to the Ministry of Home Affairs' security protocols," said an industry veteran. The RBI's decision to withdraw ₹2,000 currency notes from circulation has also led to more trips to load ATMs with cash.

The Kannan Committee had batted for a review of interchange and customer ATM usage charges at stipulated intervals to be decided by the RBI to do away with cost-linked logjams.

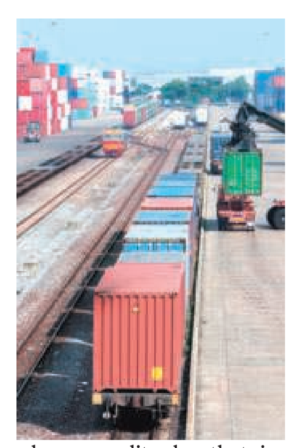
While the industry was ready to settle for an interchange fee of ₹20, some say this may now have to move up to ₹23 to adjust for cassette-swap costs. Cassette swaps are a lockable mechanism that does away with open cash replenishment The Kannan Committee had pointed out that implementing cassette swaps could add 15 per cent in additional costs. And, "if cassette swap is to be implemented, then a commensurate increase in ATM usage charges and ATM interchange should be considered appropriate," it said. Incidentally, nearly a year after the rollout of cassette swaps at ATMs was set in motion, it remains only on paper. The four-phased plan across 30 cities was to cover the entire network of 260,000-odd ATMs in the country by FY24. Another extension – the fourth in a row — may now be sought from the RBI. The idea of cassette swaps at ATMs came up six years ago (April 2018) and the first deadline was FY21.

200 more Gati Shakti terminals on the cards...

"Costs have gone up because of rentals, fuel costs, cash-loading charges, and adherence to the Ministry of Home Affairs' security protocols," said an industry veteranAccording to Railways data, 77 GCTs have so far been commissioned with an investment of ₹5,400 crore from operators at an average cost of ₹69 crore per terminal. In December 2022, Railways had received 129 applications from state-owned companies and private players.

The Adani group, the JSW group, Nayara Energy, Container Corporation of India, and Indian Oil are among those operating these terminals.

Through the proliferation of GCTs, the Centre looks to build its freight basket in the miscellaneous goods segment, which has been a weak area for the Railways. It was the



only commodity class that significantly lost cargo in the last year. For GCTs developed on non-railway land, operators construct their terminals after obtaining approvals from various authorities, and for those fully or partially on railway land, the land parcels are identified by Railways, and the GCT operator for construction and operation of the terminal is selected through open bidding, based on terminal access charges.

The investor bears the entire capital cost for building infrastructure and maintenance, while the national transporter maintains ownership. GCT operators can develop infrastructure facilities and provide value-added services such as warehousing, processing, and packaging.

According to Railways estimates, every new GCT has the potential to increase rail freight volumes by 1 million tonne (mt) per annum, which translates into a additional ₹100 crore for the Railways.

The terminals — many of which are owned by freight forwarders — will play a major role in the Railways plan to move towards domestic containerisation of goods.

Currently, the traffic that Railways carries in the container segment primarily caters to the EXIM sector, with domestic containers moving largely through road transport. For various types of volume-based goods, the Railways uses different kinds of wagons.

AU Small Finance Bank aims to double balance sheet in 3 yrs: MD

AU Small Finance Bank is targeting to double its balance sheet size to ₹2.5 trillion in three years, helped by the acquisition of Fincare SFB and the growing consumption trend in the country.

The bank, earlier this week, operationalised Authorised Dealer (AD-I) licence with foray in forex with 'AU Remit' and Cross-border Trade with 'AU DigiTrade'. "We are targeting a growth of 25 per cent in the next three years and we should double the balance sheet size to ₹2.5 trillion by the time we complete one decade of existence," AU Small Finance Bank Managing Director Sanjay Agarwal told *PTI*.

The bank started its business in 2017, with a balance sheet size of ₹10,000 crore, which has now crossed ₹1.25 trillion. Human resources has gone up from just 3,000 to 46,000 during the same period, he said.

At the same time, the branch network has increased from 300 to 2,400 touch points currently, he said. Pointing out that banks are formed by the people and for the people, he said, the endeavour would be to transform AU Small Finance Bank into the bank for generations as it is a public property. **PTI**

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Hard: ★★★
Solution tomorrow

HOW TO PLAY
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IN BRIEF

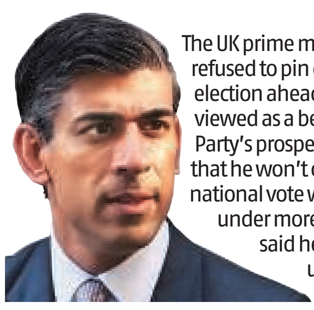
Pak's foreign min Ishaq Dar appointed deputy PM

In a surprise move, Pakistan's Foreign Minister Ishaq Dar (*pictured*) was appointed as the country's deputy prime minister. Dar, 73, a chartered accountant and a veteran politician, belongs to Prime Minister Shehbaz Sharif's Pakistan Muslim League–Nawaz party. According to a notification issued by the Cabinet Division, the appointment was made by Prime Minister Sharif "with immediate effect and until further orders". It was clear what specific responsibilities Dar would perform as deputy prime minister as traditionally, all powers are concentrated in the PM, who is the head of the government. PTI

Saudi Arabia to source lithium for EV ambitions

Saudi Arabia is committed to sourcing lithium from overseas as it looks to produce EV batteries and invest in the electric vehicle sector, a senior minister said in an interview, noting attempts to secure domestic supplies were at an early stage. Saudi Arabia, whose economy has for decades relied on oil, has spent billions attempting to turn itself into a hub for EV manufacturing as part of defacto ruler Crown Prince Mohammed Bin Salman's attempts to diversify the economy. "Lithium is a very important mineral that happens to be part of a very important part of the supply chain, especially for batteries," Minister of Industry and Mineral Resources Bandar Alkhorayef told Reuters in an interview on Sunday. REUTERS

UK PM Sunak refuses to confirm election date



The UK prime minister Rishi Sunak (*pictured*) refused to pin down a date for a general election ahead of key regional votes this week viewed as a bellwether for the Conservative Party's prospects. In an interview, Sunak said that he won't comment on whether a national vote will happen in July. He came under more pressure when MP Dan Poulter said he's defecting to Labour, citing underfunding of NHS. BLOOMBERG

'Fighting in east Ukraine worsens, troops fall back'

Fighting in eastern Ukraine has worsened and Kyiv's troops have fallen back to new positions in at least three places along the front, Ukraine's top general Oleksandr Syrskyi said on Sunday. Russian troops have been steadily advancing in the east, with the focal point of fighting near the town of Chasiv Yar and northwest of Avdiivka, which Russian forces captured in February. "The enemy achieved certain tactical successes in these areas, but could not gain operational advantages," he said. REUTERS

Powell set to keep Fed on higher-for-longer path

BLOOMBERG
28 April

Jerome Powell's remarks in the coming week will be closely parsed by investors for any clues on just how long the Federal Reserve is willing to wait before cutting interest rates.

The last time the US central bank chair spoke, he signalled that policymakers were likely to keep borrowing costs high for longer than previously anticipated, pointing to the lack of further progress on bringing inflation down, and to enduring strength in the labor market.

The latest price data, which showed stubborn underlying inflation, in tandem with expectations for a robust employment report on Friday, aren't likely to lead the Fed chief to change his tune.

Powell will address reporters after the Fed's rate decision on Wednesday, when the central bank is widely expected to hold borrowing costs at a more than two decade high. Expectations for rate reductions have been pushed further into 2024, and investors are now betting on two cuts at most by year-end.

Powell's colleagues on the Federal Open Market Committee see no urgency to lower rates.

Governor Michelle Bowman said she sees "upside risks" to inflation, and Minneapolis Fed President Neel Kashkari floated the possibility of having no rate cuts this year. The Atlanta Fed's Raphael Bostic, meanwhile, said he could favour hiking them if inflation gets worse.

Swaps traders now see only one Fed rate reduction for all of 2024, well below the roughly six quarter-point cuts they expected at the start of the year. The FOMC, which will update its rate forecasts at the June 11-12 meeting, penciled in three cuts for this year at their March gathering, though the margin was razor thin.

CLOSE WATCH

- The last time the US central bank chair Jerome Powell spoke, he signalled that policymakers were likely to keep borrowing costs high for longer than previously anticipated
- His speech pointed to the lack of further progress on bringing inflation down, and to enduring strength in the labor market
- The latest price data, which showed stubborn underlying inflation, in tandem with expectations for a robust employment report on Friday, aren't likely to lead the Fed chief to change his tune
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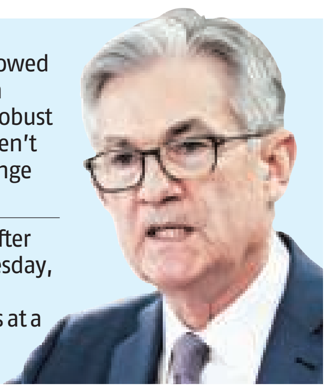

Musk in Beijing in a bid to push Tesla autopilot tech

REUTERS
28 April

Tesla CEO Elon Musk (*left*) meets Chinese Premier Li Qiang in Beijing. Li told Musk that Tesla's development in China could be regarded as a successful example of US-China economic and trade cooperation PHOTO: X/ELON MUSK

Tesla chief executive officer (CEO) Elon Musk arrived in Beijing on Sunday on an unannounced visit, where he is expected to meet senior officials to discuss the rollout of Full Self-Driving software and permission to transfer data overseas, according to a person with knowledge of the matter. Chinese state media reported that he met Premier Li Qiang in Beijing, during which Li told Musk that Tesla's development in China could be regarded as a successful example of US-China economic and trade cooperation.

The US electric vehicle maker rolled out Full Self-Driving, or FSD, the most autonomous version of its Autopilot software, four years ago but has yet to make it available in China, its second-largest market globally, despite customers urging it to do so.

Musk said this month Tesla may make FSD available to customers in China "very soon", in response to a query on social media platform X. Rival Chinese automakers such as Xpeng have been seeking to gain an advantage over Tesla by rolling out similar software.

Musk is looking to obtain approval to transfer data collected in the country abroad to train algorithms for its autonomous driving technologies, the person said.

Tesla has since 2021 stored all data collected by its Chinese fleet in Shanghai as required by Chinese regulators and has not transferred any back to the United States.

Musk's visit to China, first reported by *Reuters*, was not flagged publicly and the person spoke on condition of anonymity because they were not authorised to speak with media. Tesla did not respond immediately to a request for comment.

Chinese state broadcaster CCTV, in its report about Musk's meeting with Li, did not say whether the two had discussed FSD, or data.

Earlier in the day, a separate report carried by state radio said Li had visited the ongoing Beijing auto show and had commented about how China's smart new energy vehicle (NEV) sector had gained a leading position in the market and that the country had to work hard and maintain its advantages.

Musk also met with Ren Hongbin, a government official who heads the China Council for the Promotion of International Trade, the organiser of the Beijing auto show, state media reported.

200 arrested in US amid crackdown on college protests

ANNA BETTS, MATTHEW EADIE, & NICHOLAS BOGEL-BURROUGHS
28 April

More than 200 protesters were arrested on Saturday at Northeastern University, Arizona State University, Indiana University and Washington University, according to officials, as colleges across the country struggle to quell growing pro-Palestinian demonstrations and encampments on campus. More than 700 protesters have been arrested on US campuses since April 18, when Columbia University had the New York Police Department clear a protest encampment there. In several cases, most of those who were arrested have been released.

At Washington University in St Louis, more than 80 arrests were made and the campus was locked down on Saturday evening, university officials said in a statement, adding that the campus police were still processing arrests. Jill Stein, the Green Party candidate for the 2024 presidential election, was among those arrested, along with her campaign manager and another staff member, a spokesman for the campaign said.

In several cases, most of those who were arrested have been released PHOTO: REUTERS

Earlier in the day, at Northeastern in Boston, protesters had set up an encampment on the campus's Centennial Common this week that drew more than 100 supporters. The administration had asked the protesters to leave, but many students did not.

Around dawn on Saturday, Massachusetts State Police officers arrived at the encampment and began to arrest protesters, putting them in zip-tie handcuffs and taking several tents down. They said they had arrested 102 protesters. It was unclear how many of those arrested were students, but the university said students who showed their university IDs were being released.

A Northeastern spokeswoman, Renata Nyul, said the demonstration had been "infiltrated by professional organizers" and that the "use of virulent antisemitic slurs, including 'Kill the Jews,' crossed the line."

Protesters denied both claims, and a video appeared to show that it was a pro-Israel counterprotester who used the phrase, as part of his criticism of the pro-Palestinian protesters' chants. In response to that video, Nyul stood by her initial comments, adding that "any suggestion that repulsive, antisemitic comments are sometimes acceptable depending on the context is reprehensible."

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Dubai to move its busy international airport to $35 bn facility

Dubai International Airport holds the title of the world's busiest for international travel

ASSOCIATED PRESS
28 April

Dubai International Airport, the world's busiest for international travel, will move its operations to the city-state's second, sprawling airfield in its southern desert reaches "within the next 10 years" in a project worth nearly $35 billion, its ruler said Sunday.

Sheikh Mohammed bin Rashid Al Maktoum's announcement marks the latest chapter in the rebound of its long-haul carrier Emirates after the coronavirus pandemic grounded international travel. Plans have been on the books for years to move the operations of the airport known as DXB to Al Maktoum International Airport at Dubai World Central which had also been delayed by the repercussions of the sheikhdom's 2009 economic crisis.

"We are building a new project for future generations, ensuring continuous and stable development for our children and their children in turn," Sheikh Mohammed said in an online statement. "Dubai will be the world's airport, its port, its urban hub and its new global centre."

The announcement included computer-rendered images of curving, white terminal reminiscent of the traditional Bedouin tents of the Arabian Peninsula.

The airport will include five parallel runways and 400 aircraft gates, the announcement said. The airport now has just two runways, like Dubai International Airport.

The financial health of the carrier Emirates has served as a barometer for the aviation industry worldwide and the wider economic health of this city-state.

Dubai and the airline rebounded quickly from the pandemic by pushing forward with tourism even as some countries more slowly came out of their pandemic crouch.

The number of passengers flying through DXB surged last year beyond its total for 2019 with 86.9 million passengers. Its 2019 annual traffic was 86.3 million passengers. The airport had 89.1 million passengers in 2018 — its busiest-ever year before the pandemic, while 66 million passengers passed through in 2022.

A city scarred by terrorism prepares an Olympic opening without walls

CATHERINE PORTER & SÉGOLÈNE LE STRADIC
28 April

President of the Hellenic Olympic Committee Spyros Capralos (*left*) and Tony Estanguet, president of 2024 Paris Olympics organising committee hold the olympic flame PHOTO: REUTERS

A terrorist attack of 2015 that left her city angry and heartbroken persuaded Paris's mayor, Anne Hidalgo, to campaign for the Olympic Games.

"I said to myself, 'We need to do something that is unifying,'" she said in an interview this month, remembering the horrifying afternoon when masked gunmen charged into the offices of the satirical newspaper Charlie Hebdo and opened fire that January, killing 12. "Something that is very powerful, very peaceful and allows us to move forward. So, I threw myself into it."

Nine years later, the Summer Olympics are set to open in Paris in July with France at its highest level of terrorism alert, after the attack on the Moscow concert hall last month. Yet for the first time, the opening ceremony will not be held inside the barricaded confines of a stadium. Instead, athletes will float in boats down the Seine River through the heart of the dense, ancient city before half a million spectators packed into stands and leaning out of windows. Although some say that makes the ceremony an obvious target, Hidalgo and other government officials express full confidence in their safety plan. "The best response is to do it, but to do it seriously and professionally," the mayor said, adding, "If we don't do it because we're afraid, than they've won. And they didn't win." Many security experts have also said they have faith in the preparations.

"Paris will be bunkerized under the current plan for the opening ceremony," said Frédéric Péchenard, the former head of France's national police. "The French police have spared no expense." Officials brewed up the idea for the ceremony to produce a spectacle that was completely new, was open to many and would "show France under its best light," President Emmanuel Macron said in a recent television interview. The goal, he said, was "to show that we can do extraordinary things." Even so, the security challenges are obvious and myriad. The procession will cover 3.7 miles of the river, passing hundreds of historic buildings of different eras, shapes and sizes, including the Louvre and Eiffel Tower. There are more than 100 access points, uneven roofs and incongruent windows, and a labyrinth of pipes, tunnels and sewers underneath. Then there is the river, with its own swells, eddies, connections and traffic. "It will require a very long, very complex security operation that won't eliminate all the risks," said Bertrand Cavallier, a former commander at France's national military police training school.

Since the 2015 deadly Islamist attacks, France has become sadly accustomed to terrorist threats and to soldiers patrolling its crowded squares and train stations, their fingers resting near the triggers of machine guns. The latest one was in December, killing a tourist and injuring three others.

Olympics organizers say the potential for terrorism was stitched into the plan for the Games from the start. Over the months of preparation, in response to security concerns, they have adjusted some of the original plans for the opening ceremony — for example, by cutting the number of spectators permitted along the river.

They also point to their experience with big events. For example, in 2016, France hosted the European soccer championships, drawing some 600,000 foreign spectators, noted Tony Estanguet, the head of the Paris Olympic Committee. Even very public failures, like dangerous crowd control problems at the 2022 Champions League soccer final that were blamed on mistakes by the security services, have offered important lessons, officials say. "Every decision that has been made since 2015 was made through the lens of security," Estanguet said in an interview.

He added, "For three years now, we know precisely day by day, site by site, almost hour by hour, our needs."

The broad outlines of the plan have been made public.

The areas immediately bordering both sides of the river, stretching miles beyond the ceremony's course, will be marked as a protected zone that will be closed to motorised vehicles eight days before the ceremony.

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INKING A NEW CHAPTER

- A terrorist attack of 2015, which left Paris angry and heartbroken, persuaded the mayor Anne Hidalgo to campaign for the Olympic Games
- 9 years later, the Olympics are set to open in July with France at its highest level of terrorism alert
- Yet for the first time, the opening ceremony will not be held inside a stadium. The athletes will float in boats down the Seine River through the heart of the city

TAKING A JAB AT TRUMP

US President Joe Biden at the White House Correspondents' Association Dinner in Washington PHOTO: PTI

US President Joe Biden roasted his predecessor and political rival, Donald Trump and poked fun about his age at the annual dinner for Washington's political and media elites. PTI

"OF COURSE, THE 2024 ELECTION'S IN FULL SWING AND, YES, AGE IS AN ISSUE: I'M A GROWN MAN RUNNING AGAINST A 6-YEAR-OLD"

"DONALD HAS HAD A FEW TOUGH DAYS LATELY. YOU MIGHT CALL IT 'STORMY' WEATHER"

"THE DEFEATED FORMER PRESIDENT HAS MADE NO SECRET OF HIS ATTACK ON OUR DEMOCRACY. HE SAID HE WANTS TO BE A DICTATOR ON DAY ONE, AND SO MUCH MORE. HE TELLS SUPPORTERS HE IS THEIR REVENGE AND RETRIBUTION. WHEN IN GOD'S NAME [HAVE] YOU EVER HEARD ANOTHER PRESIDENT SAY SOMETHING LIKE THAT?"

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Need more competition

Small finance banks have a clear path

The Reserve Bank of India last week issued rules outlining the glide path for existing "small finance banks", or SFBs, that wish to transition to regular "universal" banks. While it is unclear if any of the current SFBs will take advantage of the process immediately, it is welcome that a clear set of policies has been introduced for what has been a long-stated goal. SFBs that transition will gain certain advantages — for example, they will then have lower capital requirements and can reduce their level of priority-sector lending. This will bring down their capital intensity and allow them to become more profitable. The RBI's requirements are relatively stringent, and so most SFBs will not qualify. Small banks should be listed and functioning for five years, as well as pass the regular due diligence exercise by the regulator. But they should also have reported a net profit the previous two years and have at least ₹1,000 crore as their net worth. All existing SFBs other than AU SFB have a net worth below ₹1,000 crore. But AU SFB is also going through a merger, first announced in October 2023, with Fincare SFB, which may open up new geographies in South India.

The broader process, however, is good news. The eventual goal must be greater competition in the banking sector alongside clear regulatory goalposts. Most SFBs — a category announced in 2014 — were created from non-banking financial companies, or NBFCs. They now have a path to universal banking. There is thus a clear ladder of safety, reliability, and regulatory oversight that the financial products sector can follow up to become a regular bank. For the banking regulator, it must be a priority to increase competition in the sector. Research has shown that, in the era of bank consolidation in India, which began in 1998, the efficiency of monetary-policy transmission declined significantly. This is natural, as greater market power increases individual banks' alternative financing sources.

The SFB category was originally developed to increase financial inclusion. A worthy locus for further research is whether they have served that purpose. However, theoretically it seems clear that banks that have emerged from the regulatory environment that defines SFBs will help expand the scope of universal banking as well, given that they have specific know-how about increasing bank deposits from the underbanked. The growth of deposits in the banking sector will likely be a major priority, going forward. Recent research by Standard & Poor's has shown that loan growth in banks is 2-3 percentage points higher than deposit growth. Some in the banking sector argue this is a natural corollary of other trends. Household financial savings, for example, are under pressure and the performance of alternative investment sources — such as mutual funds — has been attractive.

Returns on deposits in banks in recent times, meanwhile, have been too low in real terms. However, demand for credit continues apace. Thus, in the aggregate, according to S&P, loan growth is 1.5 times the growth in nominal gross domestic product (GDP), while deposit growth is just keeping pace with nominal GDP. As a consequence, unless deposit growth is juiced up, loan growth may have to fall, with unintended effects on the macro-economy and overall investment and growth. Greater bank competition with a focus on expanding the banking base is one way to mobilise deposits.

Chasing paper trails

Supreme Court puts VVPAT controversy to rest

As Indians queue up to vote in one million polling stations around the country, the Supreme Court has set at rest concerns about the credibility of electronic voting machines (EVMs). On the same day as the second phase of polling, the court delivered a verdict rejecting the plea by the non-profit organisation Association for Democratic Reforms (ADR) for 100 per cent cross-verification of EVMs by a manually counted voter verifiable paper audit trail, or VVPAT. In separate but concurring judgments, the two-judge Bench chose to retain the current provisions of counting the VVPAT slips of five randomly selected Assembly constituencies or Assembly segments of Parliamentary constituencies to verify the EVM count. In addition, the court has directed the Election Commission to seal and store symbol-loading units (SLUs) for 45 days after the election result is declared.

The SLU is a memory device that enables candidates' symbols to be loaded on to the VVPAT machine; it is typically retained for a day before being handed back to the manufacturer to be programmed and reused in other VVPATs for subsequent phases. This directive implies that an SLU can be opened and examined in the event of an election petition. The Supreme Court has also allowed candidates standing second or third in a constituency to ask for a verification of EVM software by submitting a written request identifying the polling station or serial number within seven days of the results being announced. These petitioners will have to bear the expenses of a procedure that will require manufacturers' engineers to conduct checks on 5 per cent of the EVMs per Assembly constituency or segment. This goes some way towards addressing a key concern raised by the ADR that an EVM processor can be tampered with.

The Supreme Court's reasoning for these limited changes is that 100 per cent manual counting of VVPAT slips would take too long and that the exercise of tallying 5 per cent VVPAT slips with votes cast had not, so far, revealed mismatches. The Election Commission will, however, be required to invest in larger numbers of SLUs, given the restrictions on their reuse. This judgment builds on earlier Supreme Court verdicts that steadily added credibility to the world's largest election exercise by electronic machines. In 2013, the apex court directed the Election Commission to introduce the VVPAT paper trail and in 2019, the court enhanced the number of polling stations for VVPAT verification from one Assembly constituency or segment to five.

Now that the matter has been settled in court, political parties would do well to not raise unsubstantiated questions, which can undermine the electoral process. Elections have been won and lost by different parties since the use of EVMs started. Besides, it is also at one level a decentralised exercise conducted by both central and state-government officials, which makes any intervention to influence outcomes difficult. EVMs should not be perpetually held responsible for electoral outcomes.

ILLUSTRATION: AJAY MOHANTY

Bad ideas in taxation

Taxation of wealth and inheritance has been tried before

SNAKES & LADDERS

AJAY SHAH

There is a great populist urge in India — to take from the rich and give to the poor. This is the path to sustained poverty and economic failure. Two specific mechanisms that are being discussed — wealth tax and inheritance tax — are well known in the field of public finance. All over the world, there is analytical clarity on their lack of usefulness. They have been tried in India. They should not be resurrected.

Roughly once every decade, in India, the taxation of wealth and of inheritance comes up in the public debate. These ideas have been around since the 19th century and have been tried in many countries. The removal of these taxes, as part of the shift to greater economic freedom, has coincided with greater prosperity.

In India, estate duty was present from 1953 to 1985. The rates could be very high, as much as 85 per cent, but in practice collection was small. It was abolished by Rajiv Gandhi. Taxes on the estate or of inheritance are present in many advanced economies. On average, in the 24 countries of the Organisation for Economic Co-operation and Development (OECD) where these are found, they account for 0.5 per cent of tax revenues. It seems like a lot of complexity to suffer, in public administration, in return for a small amount of tax revenue.

The prospect is even less appealing with wealth tax. This was introduced in India in 1957. As of 2012-13 it generated ₹800 crore. It was abolished in 2015. It is present in four OECD countries and generates a negligible amount of tax revenue.

Going down these routes comes at a cost: The loss of focus on the core business of establishing a sensible tax system in India. Taxation in India is at very high levels, with a maximal personal income tax of 42 per cent, a corporate income tax of 25 per cent and a peak goods and services tax (GST) rate of 28 per cent. Taxing imports, and non-tariff barriers, has been steadily rising. These add up to an extremely high tax environment when compared with most of the post-1991 period. Tax administration in India fares poorly on fair play, rule of law and the arbitrary power of tax officials. The priority in tax policy is not adding on the fresh challenges of a wealth tax or an inheritance tax. It is to make the present machinery (income tax, GST, property tax) work well at the level of both tax policy and tax administration while abolishing all other taxes.

An economist is someone who wonders whether what works in practice works in theory too. Is the empirical experience made of just a few accidents, or is there a conceptual foundation that is inescapable? It is interesting to go under the hood and ask why inheritance tax and wealth tax work poorly.

People respond to incentives. The first response to more taxation is to work less. If wealth and inheritance are penalised, people will work less hard to create wealth. This is harmful for the country.

The second response is to reorganise life into tax-efficient structures. Instead of going to the end of life with a will, persons will transfer assets to the chosen ones while living. This distorts behaviour while hindering the ability of the government to obtain revenues. Many a parent may prefer to repeatedly edit a will in the years leading up to the unexpected death event, instead of losing power by transferring assets to children early in order to avoid taxes.

The third level of response is to relocate business activity to friendly jurisdictions such as Dubai, Sri Lanka, Cayman Islands, Singapore, or Ireland. This hampers tax revenues.

If India were an open economy, nothing else would go wrong: A person would establish a tax residence in Ireland and run business activities in India without any friction. But India is not an open economy and there are myriad hindrances against cross-border activities. Convertibility is absent on the current account and on the capital account. Hence, once a person shifts tax residence to a location outside India, a process of estrangement sets in, and the focus upon building organisations in India tends to subside. India's future is in the hands of about 10,000 firms, and it is better to organise the Indian state in a way that nurtures the energy and ambition of each of these leadership teams.

In sum, wealth tax and inheritance tax work poorly because (a) they distort the behaviour of people, which harms gross domestic product (GDP), and (b) the behavioural distortions are sufficient to not generate meaningful tax revenues. These taxes thus end up with the worst of all worlds: Behavioural distortions that harm GDP, a complex tax bureaucracy (which will abuse the arbitrary power that tax officers in India have), and poor tax revenues.

This debate fits into the larger puzzle of redistribution vs growth. We should not get distracted into arguments about how to divide the pizza. India is a lower middle-income country. There is a daunting journey in front of us, which is of sustaining growth, of developing state capability, over the coming 100 years. Only four countries which were poor in 1947 have graduated to "advanced economy" status today: The journey to development is a difficult one, and there is no guarantee of success. Emphasising class warfare will hamper private dynamism and hold back the emergence of state capability.

Lant Pritchett says that 99 per cent of the variation in the poverty rate across countries is explained by one number: The median income. If we want to change the poverty rate, the number to focus on is the median income. All the redistributive efforts of the state, through taxes, social programmes, etc sit in the residual 1 per cent (of the variation of the poverty rate which is not explained by the median income) and come at the price of reduced growth of the median income. The emotions of envy, of resentment, of takers rather than makers, should be excluded from public life.

The writer is a researcher at XKDR Forum

Japan's equity renaissance

THE OCCASIONAL ASIDE

AMIT TANDON

Two countries, India and Japan, dominated the conversation at the recent 3,000-people-strong HSBC Annual Global Investor Summit in Hong Kong. As readers are familiar with India, I will talk about Japan, where following decades of stagnation, Tokyo's benchmark Nikkei 225 broke past its 1989 peak on February 22, 2024. While stable macro-economic, favourable geopolitical conditions and leaner balance sheets have energised its equity markets, governance reforms have had an equally important role to play.

Japan began focusing on governance reforms from the turn of the century, with a call for independent directors and board committees. Initially there was scepticism regarding independent directors' ability to understand a company's culture and contribute to its growth since they had not been with the company for 30 years! It was only after Shinzo Abe came to power for a second time in 2012 that the governance reforms gathered pace. And it may not be out of place to mention the India Governance Scorecard that I have periodically written about was thanks to the generous support from the Government of Japan during Shinzo Abe's tenure.

"Reforms, new policy ideas, and civil society participation arrived in a heady rush (with Abe)," says Jamie Allen, who recently stepped down as secretary general of the Asian Corporate Governance Association (ACGA), a non-profit membership organisation driving effective corporate governance practices throughout Asia. He lists the Japan Stewardship Code of February 2014 (it has undergone two revisions since, in 2017 and in 2020); the Ito Review, in August 2014, which put return on equity (RoE) and corporate competitiveness on the map; the Corporate Governance Code of June 2015; a new third system of board governance, the Audit and Supervisory Committee Company, in 2015; the growth of sustainability reporting, strongly encouraged by the Financial Services Agency and the Ministry of Economy, Trade and Industry (METI); the emergence of new director-training institutes; an official set of Guidelines for Investor and Company Engagement in June 2018; new METI guidelines on group governance in June 2019.

"Part of (Abe's) government's genius was to link CG reform not to risk reduction — as in most markets where governance is a corrective to excessive corporate risk taking — but to the long-term growth of companies and the revitalization of the underperforming Japanese economy," avers Jamie.

This is reiterated in the "Ito Review of Competitiveness and Incentives for Sustainable Growth — Building Favorable Relationships between Companies and Investors", published by the powerful METI. As resistance to change emanates from cultural facets, the Ito Review noted that "increasing capital efficiency in the broadest sense is crucial from the perspective of Japan's survival".

There have been two updates to the Ito Review. The 2017 review focused on company-investor engagement or "collaborative value creation" and the 2022 review on "sustainability transformation".

METI has remained concerned that Japan Inc was cash-heavy and that the financial indicators for Japanese companies trailed their European and United States counterparts. Years of poor capital allocation led to low RoE and low price to book (P/B). Approximately half the listed companies on the Prime Market and 60 per cent in the Standard Market have RoE below 8 per cent and P/B ratios below 1. This contrasts with 5 per cent for the S&P 500 and 22 per cent for the STOXX 600. These financial numbers called for a shift in mind-set from a "profit and loss" focus to being driven by "balance sheet and cash flow". This meant limited interest from global investors.

The challenge was to link governance and financial performance, which the Tokyo Stock Exchange did through its focus on capital allocation (which, together with succession planning, is one of two priorities of any board).

In March 2023, the exchange asked companies with a P/B ratio below 1 to disclose specific policies and initiatives to lift their value above it. While there may have been other financial indicators for companies to focus on, like return on capital equity or return on capital employed, the exchange narrowed in on P/B, which is now the prominent indicator.

Since then, companies have begun focusing on capital efficiency. They have begun buybacks, mergers, spinoffs, unwinding crossholdings, and disposal of treasury stocks. All these are standard tools for any well-managed company but were shunned by Japanese enterprises. As peer pressure builds — Honda Motors' $1.5 billion buyback announcement was followed by Toyota Motor offering to buy back $1.0 billion — it is easy to understand the change in Japan.

As the directive is not binding, the exchange has begun releasing a list of firms that have disclosed plans to increase their capital efficiency. In doing so it is obliquely naming and shaming companies that have not articulated a plan — as they don't find mention on this list.

"The Tokyo Stock Exchange's Action Plan for companies to disclose on board awareness of their cost of capital and to improve RoE is a culminating factor signalling improving returns for shareholders," said Amar Gill, who this month assumed charge as secretary general, ACGA.

The Japan story is still in its early days. But the lesson it holds is that companies, regulators, and the broader market micro-system all need to continuously evolve to ensure that a country's capital markets remain robust.

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Reports from MAGA frontlines

BOOK REVIEW

JENNIFER SZALAI

Despite Steve Bannon's Wall Street pedigree, his taste for five-star hotels and billionaire-owned yachts, he is truly a man of the people — that, at least, is the impression he strains to convey each time he appears in *Finish What We Started: The MAGA Movement's Ground War to End Democracy*, a new book by Isaac Arnsdorf, a journalist at *The Washington Post*.

As far as Bannon is concerned, anyone who complains that Donald Trump's far-right supporters are on the fringes of the fringe is just a whiner who can go cry some more. As he put it at the Conservative Political Action Conference (CPAC) in 2022: "All they talk about on MSNBC is 'democracy, democracy, democracy.' We're gonna give them *a democracy suppository* on November 8!"

The line was classic Bannon: Gleeful, bombastic, mildly disgusting. It would also turn out to be wrong. The "red wave" that he and other MAGA enthusiasts envisioned for that year's midterm elections never materialised.

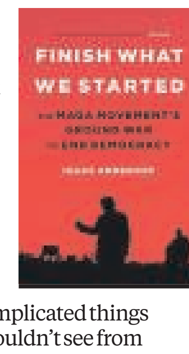
There have been several books about the Trumpification of the Republican Party focused on the politicians and operatives who allowed such a transformation to happen. *Finish What We Started* focuses instead on the ordinary foot soldiers in the MAGA grass roots — who, in the aftermath of January 6, continued to insist that the 2020 presidential election had been stolen and are determined to never let such an outrage happen again.

The rampage at the Capitol had been spectacular — maybe too spectacular for its own good; what the MAGA movement needed was something stealthier and more tedious, less likely to draw the attention of anyone who would try to thwart it. Arnsdorf recounts how, a month after the attack, Bannon invited a Breitbart blogger named Dan Schultz to his "War Room" podcast to explain what Schultz called "the precinct strategy." The plan was to take over the Republican Party from the ground up: Get some true MAGA believers into the humble yet foundational building blocks of the party structure — "precinct positions that were often vacant because no one was paying attention."

Instead of state legislatures staffed by RINOs (Republicans in name only) who had shown themselves too willing to betray the MAGA cause by abiding by the Constitution and certifying the 2020 election, an influx of new precinct committee members would ensure that the 2024 election would reflect the will of the *real* people — the MAGA faithful.

One person who heeded the message was Salleigh Grubbs, who ran for Republican county chair in Cobb County, Ga., in 2021 and received a phone call from Trump when she won. Arnsdorf juxtaposes Grubbs's trajectory with that of Kathy Petsas, a Republican Party chair for a legislative district in Maricopa County, Ariz, who went from fielding maybe three applications a month for precinct committee membership to an astonishing 40 a week.

In the months leading up to the 2022 midterms, Petsas was formally reprimanded by her new MAGA colleagues and saw her preferred Republican candidate for Arizona governor get trounced in the primaries by the Trump-endorsed Kari Lake; Grubbs, meanwhile, seemed to be flying high on MAGA fumes until she began to grasp "how much more complicated things are, how much you couldn't see from outside, how there are always unintended consequences." Arnsdorf describes her growing discomfort with efforts to purge the party of anyone who doesn't toe the new line.



FINISH WHAT WE STARTED: The MAGA Movement's Ground War to End Democracy
Author: Isaac Arnsdorf
Publisher: Little, Brown
Pages: 247
Price: $30

Arnsdorf mostly hangs back, presenting his subjects' thoughts in free indirect style. His stated aim is to convey "what makes them believe, what motivates them, what stirs them to action." Petsas seems baffled by the takeover of her party and clings to the old mode of doing things. Incredulous that the MAGA wing doesn't think of her as a "real Republican," she emphasises her decades of experience as an insider — when that lengthy tenure is obviously considered a mark against her.

Grubbs, for her part, is initially fuelled by a sense that official explanations for political results she doesn't like seem very, very fishy. After January 6, she blasted out a message to her Facebook group: "All. DO NOT BELIEVE THE NEWS. Trump people are not violent. The Capitol protest was fine until Antifa co-opted and committed violence." She suggests she's mellowed a bit since becoming a county chair, but mellower MAGA still runs hot. At Georgia's state Republican convention in 2023, she poses for a photo with Trump. Grubbs deems it "one of the happiest days of her life."

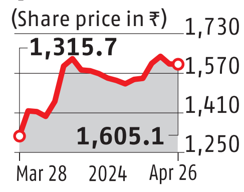
Arnsdorf's book arrives at a moment when Democrats are warning that Trump and the MAGA movement are seeking to end democracy as we know it. Bannon's extravagant bluffing — "We're two-thirds of the nation!" he bragged at CPAC — can't hide the fact that MAGA extremism is still terribly unpopular. An NBC News poll last year put the share of Americans with a favourable view of the MAGA movement at a meagre 24 per cent. The precinct strategy has become another way of energising the base.

And the base turns out to have infinite patience for the nitty-gritty of local politics, as long as the ultimate goal is not governance but domination. "Now they understand how important the rules are," a merry Bannon tells Arnsdorf. "We're having a civics lesson here. We're exploding, and the reason we're exploding? We're really getting into the granular, and people can't get enough of it."

The reviewer is the nonfiction book critic for The Times

Business Standard
NEW DELHI | MONDAY, 29 APRIL 2024
The Smart Investor

QUICK TAKE: AAVAS BUILDS GROWTH, BRICK BY BRICK



The stock of Aavas Financiers has risen 21% over the past month. Elara Securities has upgraded the stock to a 'buy'. Strong growth visibility, improving operational metrics, and impeccable asset quality, backed by effective tech initiatives, form a perfect 'catalyst triad' to enable a structural growth story for Aavas

"Global markets have absorbed the repricing of monetary easing with relative equanimity. If inflation picks up in the face of sturdy US economic activity and a sub-4% US unemployment rate, equity and bond markets could be in for nasty surprises"

STEPHEN DOVER, Chief Market Strategist, Franklin Templeton

Fund houses' ticker-tape parade of fiscal success on D-Street

Robust performance buoyed by soaring AUM and stellar equity performance

SAMIE MODAK & RAM PRASAD SAHU
Mumbai, 28 April

The financial numbers for 2023–24 (FY24) of the four pure-play listed asset management companies (AMCs) have enthused the Street. All firms listed robust growth in net profit and revenue both during the January-March quarter (Q4) of FY24, as well as in full FY24.

The strong performance comes amid a positive growth environment for the sector, led by tailwinds such as sharp growth in assets under management (AUM) and robust performance in equity offerings.

In FY24, the AUM for the domestic mutual fund (MF) industry grew by 34 per cent — the most since 2016-17 — to ₹54.1 trillion.

HDFC AMC, the largest of the listed pack, reported a 44 per cent year-on-year (Y-o-Y) growth in Q4 net profit to ₹540 crore on the back of a 29 per cent growth in revenue to ₹695.4 crore.

The country's third-largest AMC in terms of AUM reported a 37 per cent Y-o-Y jump in net profit for FY24 at ₹1,943 crore.

Revenues in Q4 were up 28.6 per cent Y-o-Y to ₹695 crore, although they missed Street estimates due to a fall in revenue yield (revenue as a proportion of assets).

HDFC AMC's stock dipped 3 per cent after the earnings announcement, although it recouped its losses in the subsequent trading sessions. The management indicated that Q4 was a one-off as the fall in yields was higher than the decline in distribution payouts.

The company highlighted that the first quarter (Q1) of 2024–25 (FY25) opening yields on key equity funds and hybrid funds are higher than Q4 and guided for a 47-basis point (bp) yield on equity for Q1FY25, for the same asset mix.

JM Financial Research has maintained a 'buy' on the stock with a revised target price of ₹4,100, valuing the company at 37 times its 2025–26 (FY26) earnings.

Meanwhile, Nippon Life AMC reported a 73 per cent Y-o-Y rise in Q4 profit at ₹343 crore. The net profit for FY24 stood at ₹1,106 crore, 53 per cent higher than the 2022–23 profit. Revenue from operations rose by 34 per cent in Q4 to ₹468 crore. The revenues missed estimates by 4.6 per cent, say analysts at Prabhudas Lilladher Research, led by higher other operating expenses and lower blended yields that fell by 1.4 bps sequentially to 43.4 bps.

For the financial year, revenues went up by 22 per cent to ₹1,643 crore. Total income surged by 45 per cent Y-o-Y for the quarter and 34 per cent for FY24.

Analysts at the brokerage have a 'buy' on the stock, which is trading at 29.4 times its FY26 core earnings per share. This is at a 15 per cent discount to HDFC AMC. It has slightly increased the multiple from 30-31 times and marginally increased its target price to ₹615.

UTI AMC's net profit rose by 90 per cent Y-o-Y in Q4 to ₹163 crore, while revenues rose by 38 per cent to ₹416 crore. However, weak sequential growth and a slight miss in profit led to downgrades in FY25 and FY26 estimates for the stock. The stock is trading at 16.3 times its FY26 earnings estimates, less than half of the valuation of HDFC AMC.

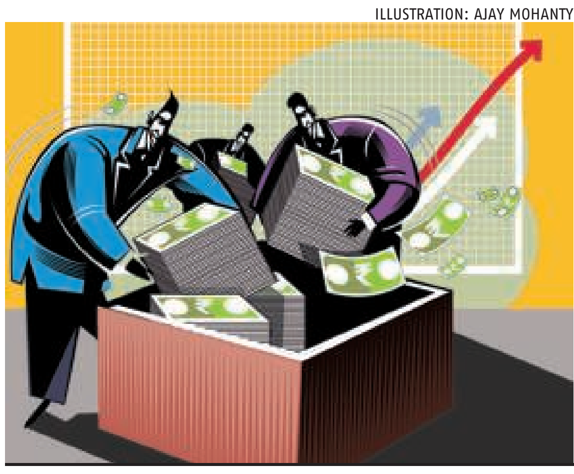
Aditya Birla Sun Life AMC's FY24 net profit rose by 31 per cent Y-o-Y to its highest ever at ₹780 crore. This was on a 21 per cent Y-o-Y growth in revenue to ₹1,640 crore. Q4FY24 net profit was up by 54 per cent Y-o-Y to ₹210 crore. IIFL Research has an 'add' on the stock with a target price of ₹550 and is valuing the stock at just under 16 times its FY26 earnings estimates.

So why is the Street so bullish on this space?

The domestic MF space is seen as a structural growth story, with assets expected to top ₹100 trillion before 2029–30. Also, the equity investing cult is believed to be a strong growth driver for the industry, which makes higher margins on its equity offerings compared to debt.

While there are few doubts over the sector's growth trajectory, investors have to be mindful that the MF industry is tightly regulated and faces strict pricing pressure.

ILLUSTRATION: AJAY MOHANTY



NAVIGATING THE FINANCIAL SKYLINE

Analysing AMCs' market cap, profit sails, and P/E horizons

(2023–24)	HDFC AMC	Nippon Life AMC	Aditya Birla Sun Life AMC	UTI AMC
Mcap (₹ crore) One-year % change in parentheses	79,339 (115)	36,516 (145)	15,982 (65)	12,400 (48)
Revenue (₹ crore)	2,584	1,643	1,640	1,737
Net profit (₹ crore)	1,943	1,107	780	766
AUM (₹ trillion)	5.4	4.2	3.3	2.9
P/E (x) FY25E	41	30	19	17

AMC: Asset management company; Mcap: Market capitalisation; AUM: Assets under management; P/E (x): Price-to-earnings (ratio); FY25E: 2024–25 estimates

Sources: Company filings, brokerage reports

STREET SIGNS

From small fish to big sharks: SFBs dive into universal banking waters

Shares of small finance banks (SFBs) will remain in focus in Monday's trade after the Reserve Bank of India issued guidelines for their conversion into universal banks. Among the criteria laid down on Friday are a minimum networth of ₹1,000 crore, a profitability track record, gross non-performing loans of less than 3 per cent, and a net non-performing asset of less than 1 per cent in the past two financial years. Market players said the leader of the SFB pack, AU, is seen as the front runner. After the merger with Fincare SFB, AU SFB's market value is more than 2x that of the second-biggest player in this space. Meanwhile, Equitas, Ujjivan, and Utkarsh too are seen as possible contenders. "A new set of investors could look to onboard some of the SFBs before they become full-scale banks. This could trigger a rerating in some stocks," said an analyst.

Sebi's blank canvas: Painting accountability without names

Usually, the Securities and Exchange Board of India (Sebi) mentions the names of stockbrokers or fund houses in its orders, barring their officials from allegedly indulging in front-running. However, in an order issued last week, the securities regulator refrained from naming them, instead using pseudonyms like AMC Broking and XYZ Securities. The regulator said the names of stockbrokers as well as persons or entities who have not been served any show cause notices were redacted but will be provided to courts and tribunals during proceedings. Legal experts say that the approach may be seen in future orders too and is aimed at preventing market intermediaries from getting maligned for no direct fault of theirs.

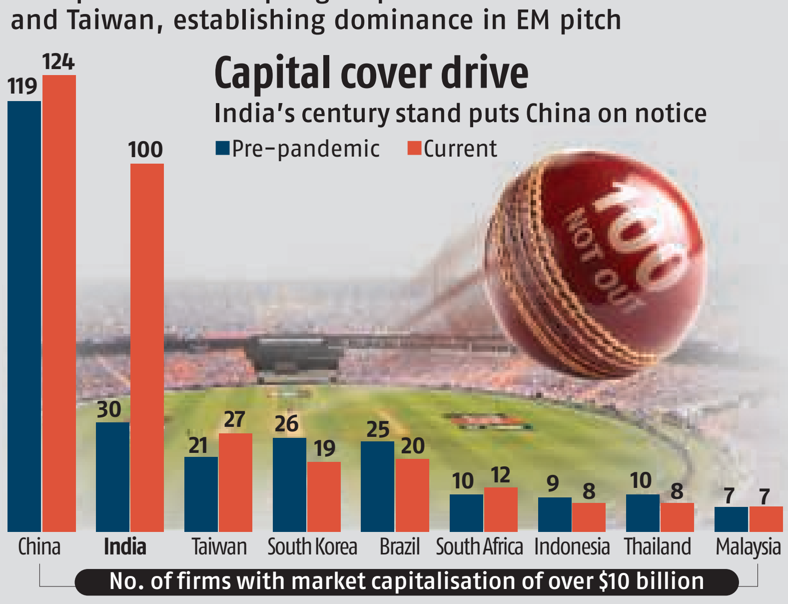
In the driver's seat: Exchanges on patrol for analysts, advisors

The Securities and Exchange Board of India (Sebi) has notified the new norms that recognise a stock exchange as an 'administration and supervisory body' for certain intermediaries like research analysts and investment advisors. The move is among a series of steps planned by the regulator to crack down on unsolicited advice and stock recommendations through social media or by finfluencers. Following the amendment to the law done last week, anybody applying for registration with Sebi as a research analyst or an investment advisor will have to get enlisted with the administrative body first. Further, the market regulator has also revised the fee structure for registration. The steps have been taken to delegate certain important tasks related to the monitoring of such individuals by a stock exchange-led body. However, existing research analysts and investment advisors will already be enlisted with the new board, and the new norms will be effective after three months.

Contributed by KHUSHBOO TIWARI

INDIA'S $100 BILLION KNOCK EVENS SCORE WITH CHINA

Its capitalisation leapfrog surpasses South Korea and Taiwan, establishing dominance in EM pitch



The depth and size of Indian markets have significantly increased since the pandemic, boding well for their ability to attract and absorb global capital flows.

India now boasts 100 stocks with a market capitalisation (mcap) above $10 billion, nearly on a par with China, which has 124 largecap members of the CSI 300 Index.

The number of stocks with a capitalisation of over $10 billion in India is about 4–5 times higher than in South Korea and Taiwan, underscoring the rising heft of India among emerging markets (EMs).

Prior to the onset of the pandemic in 2019, India had only 30 stocks with mcap above $10 billion, a figure largely in line with other EMs, except for China. India's count has more than trebled since the pandemic, marking the largest expansion among EMs.

The capitalisation-weighted NSE Nifty 500 has had a price-to-earnings ratio of 26x, 0.7 standard deviations above the mean, since 2004. Indian equities appear poised to capture a larger share of foreign portfolio allocations, buoyed by a doubling of the country's weight in the Morgan Stanley Capital International EMs Index, rising to 18 per cent from 8 per cent four years ago.

BLOOMBERG INTELLIGENCE

[FUND PICK] NIPPON INDIA LARGE CAP FUND

Blazing a trail: The vanguard of largecap triumph

Nippon India Large Cap Fund, launched in August 2007, has consistently ranked in the top 30th percentile of the largecap fund category in the CRISIL Mutual Fund Ranking (CMFR) for three consecutive quarters through March 2024.

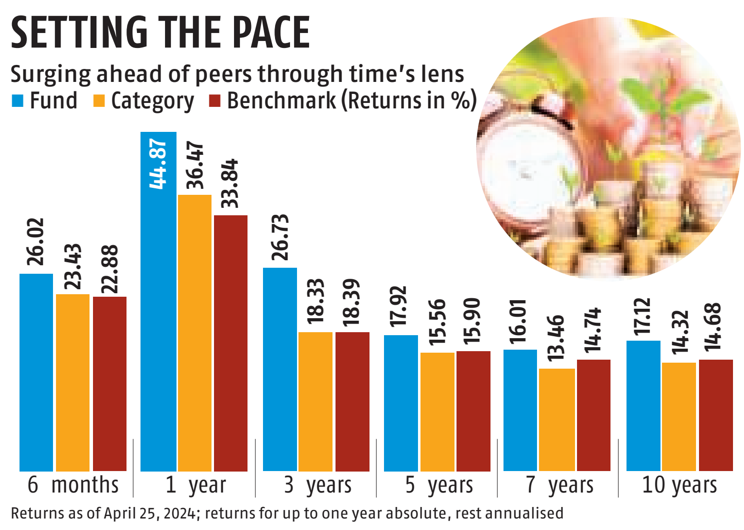
The fund's month-end assets under management increased from ₹10,069 crore in March 2021 to ₹24,378 crore in March 2024.

Sailesh Raj Bhan and Ashutosh Bhargava have been managing the fund since August 2007 and September 2021, respectively.

The scheme's investment objective is to generate long-term capital appreciation and enable income distribution to investors through a portfolio that predominantly invests in equity and equity-related securities of largecap companies.

SETTING THE PACE

Surging ahead of peers through time's lens



Returns as of April 25, 2024; returns for up to one year absolute, rest annualised

Trailing returns

The fund has consistently outperformed its peers (funds ranked under the largecap fund category in the March 2024 CMFR) and benchmark (the National Stock Exchange Nifty 100 TRI) in all trailing periods (six months, one year, three years, five years, seven years, 10 years) under analysis.

To put this in perspective, an investment of ₹10,000 in the fund on August 8, 2007 (fund inception), would have grown to ₹80,296 on April 25, 2024, at an annualised rate of 13.26 per cent.

In contrast, the same investment in the category and benchmark would have grown to ₹62,031 (11.53 per cent) and ₹65,311 (11.87 per cent), respectively.

A systematic investment plan is a disciplined mode of investment offered by mutual funds through which one can invest a fixed amount at regular intervals.

A monthly investment of ₹10,000 for the past 10 years in the fund, totalling ₹12 lakh, would have grown to ₹29.78 lakh (17.35 per cent annualised return) compared with ₹27.01 lakh (15.54 per cent) in the benchmark, as of April 25, 2024.

Portfolio analysis

Over the past three years, the fund has taken higher exposure, predominantly in largecap stocks.

Allocations to mid and smallcap stocks averaged 10.72 per cent and 4.94 per cent, respectively, while those to largecap stocks averaged 83.02 per cent.

The portfolio was diversified across 17 industries.

Financial services dominated, with an average allocation of 35.47 per cent, followed by oil and gas (10.5 per cent), information technology (10.18 per cent), consumer durables (9.11 per cent), and hospitality (6.11 per cent).

In the period under analysis, the fund took exposure to 116 stocks and held 20 consistently.

Key contributing stocks to the portfolio were Indian Hotels Company, State Bank of India, Larsen & Toubro, ICICI Bank, and Chalet Hotels.

CRISIL RESEARCH

'Broking industry aims to double customer count in 2 years'

HDFC Securities, launched as a joint venture between HDFC Bank, HDFC, and Indocean eSecurities, celebrates its 25th-year milestone. Over the past decades, the domestic broking industry has undergone several structural shifts, with one of the most prominent being investors gravitating towards low-cost brokerages. Traditionally a full-service brokerage, HDFC Securities recently introduced HDFC Sky — a flat-price broking application — as a strategic response to the emerging threat from discount brokerages. **DHIRAJ RELLI**, managing director and chief executive officer of HDFC Securities, in an email interview with **Sundar Sethuraman**, delves into the broking house's journey and highlights key trends in the broking industry. Edited excerpts:

How do you view the evolving broking landscape where investors are exploring brokerage options?

In India, the broking space is one of the fastest-growing sectors due to the rise in retail investors from Tier-II and Tier-III cities, along with a consistently high GDP growth rate.

Dematerialised (demat) accounts have surged from 20 million to 150 million quickly, thanks to digitisation and new players.

Multiple brokerage options are creating entry points for more investors, fostering industry growth. We welcome this scenario and offer multiple options across customer segments, from millennials to working professionals and senior citizens.

Elaborate on the role that full-service brokerage firms play within the financial ecosystem.

At the individual level, investments and finance are sensitive matters as they directly involve and impact money, necessitating guidance.

We provide comprehensive services for individuals to grow and manage their wealth.

Simplified investment options encourage the financialisation of savings.

Our extensive branch network and over 1,200 relationship managers offer advice and recommendations, creating a hybrid physical-plus-digital service offering across a complete array of investment products.

Q&A

DHIRAJ RELLI
MD & CEO, HDFC Securities

Some observers have noted large differences in technology between traditional brokerages like HDFC Securities and newer, technology-driven players. How do you see this?

With 24 years of experience and exposure to numerous market cycles, we leverage our rich domain expertise to provide intuitive features and digital solutions to our customers.

Share HDFC Securities' performance metrics, such as revenue, profit, client base, and average daily trading volume, for 2023-24.

HDFC Securities has witnessed increase in profitability, growing 2.5 times over the past four years, from ₹384 crore in March 2020 to ₹950 crore in March 2024. Similarly, our revenue has surpassed the ₹2,500 crore mark, with an active client base exceeding 1.2 million and a total customer count of over 5 million.

The recent launch of HDFC Sky has expanded our customer base, particularly among millennials, price-sensitive individuals, and derivatives traders.

Moreover, we have experienced substantial growth in our margin trade facility and lending book, amounting to ₹6,635 crore, leading to a 120 per cent increase in annuity income from interest over time.

We completed an equity fundraising of ₹1,000 crore in April 2024, bolstering our networth to over ₹2,900 crore. We are initiating investment advisory and proprietary businesses, alongside establishing a full-fledged subsidiary in Gujarat International Finance Tec-City.

What is your outlook for the broking industry? Do you foresee sustained growth in demat account registrations, with an average of 3 million accounts each month, or do you expect it to plateau?

Increased awareness and regulatory robustness have led to 150 million customers, with projections aiming for 300 million customers in the next few years. This trajectory indicates robust compound growth, with 50 per cent of India's population expected to utilise broking and investment services.

How does HDFC Securities approach client acquisition in today's competitive market?

Our dual approach, utilising digital and physical resources with aggressive pricing and differentiated offerings alongside comprehensive brand campaigns, attracts a large customer base.

In the broking industry, the customer lifecycle value exceeds acquisition costs, justifying increased marketing spending.

Over the past six months, we have intensified our marketing efforts for HDFC Sky, aiming for substantial market share and organic growth.

The derivatives segment contributes to over 97 per cent of the overall market volume. Our focus on derivatives has significantly intensified following the launch of HDFC Sky.

Full interview on business-standard.com

> OVER THE PAST SIX MONTHS, WE HAVE INTENSIFIED OUR MARKETING EFFORTS FOR HDFC SKY, AIMING FOR MARKET SHARE AND ORGANIC GROWTH"

EVENTS THIS WEEK

Date	Particulars
Apr 29	**Results:** Trent, UCO Bank, UltraTech Cement
Apr 30	**India:** Eight infrastructure industries index
	US: Employment Cost Index, FHFA House Price Index, Chicago PMI
	UK: BRC Shop Price Index, Mortgage Approvals, Nationwide House Price Index
	China: Caixin Manufacturing PMI
	AGM: Tata Motors
	Results: Adani Energy Solutions, Adani Total Gas, Cholamandalam Investment, Havells, Indian Oil Corporation, Indus Towers, Procter & Gamble Hygiene, REC, Sona BLW Precision Forgings, Star Health & Allied Insurance, Vedant Fashions, Vodafone Idea

AGM & results filtered for BSE 200 companies
Source: Bloomberg

TOP BULK DEALS

Date	Scrip	Client	Price (₹)
Apr 26	Vodafone Idea	ATC Telecom Infrastructure (S)	13
Apr 24	Delhivery	Canada Pension Plan Investment Board (S)	444
Apr 24	Delhivery	Smallcap World Fund Inc (B)	444
Apr 26	Vodafone Idea	Citigroup Global Markets Mauritius (B)	13
Apr 24	Delhivery	Fidelity Management & Research Co (B)	444
Apr 23	Ujjivan Fin. Services	Ardisia (S)	560
Apr 24	Delhivery	American Funds Insurance (B)	444
Apr 24	Cyient DLM	BNP Paribas Global Markets (S)	741
Apr 25	Harsha Engineers	American Funds Insurance (S)	410
Apr 25	Sun Pharma Advanced	Mansi Shares & Stock Advisors (B)	271
Apr 25	Harsha Engineers	Plutus Wealth Management (B)	410
Apr 25	Restaurant Brands Asia	FMRC Fidelity Emerging Markets Fund (S)	100

(B) Buy (S) Sell

Source: Exchanges

MAHINDRA RURAL HOUSING FINANCE LIMITED

CORRIGENDUM

This is in reference to the PUBLIC NOTICE FOR AUCTION-CUM-SALE OF IMMOVABLE PROPERTIES of SARFAESI Act. of
Borrower: VIKRAM SINGH **Co-Borrower:** Neha **Guarantor:** Azad
LAN: XSEMHWA01196360 & XNHLHWA01196494 HPA No. 1635915 & 1635967 Published in this news paper on **27-04-2024.**
In The Wrongly Written By:- Reserve Price Rs. 5,12,700/-
EMD Rs.51,270/-
Please Read As :- Reserve Price Rs. 5127,000/-
EMD Rs.5,12,700/-
The change should be read as part and Parcel of the earlier publication.

Sd/- Authorised Officer
Mahindra Rural Housing Finance Limited

Place: Haridwar
Date : 29-04-2024

AmulFed Dairy (A unit of Gujarat Cooperative Milk Marketing Federation Ltd)

TENDER NOTICE

AmulFed Dairy is one of the advanced state-of-the-art plant in Asia. AmulFed Dairy manufacture Milk and Milk products like, Milk Powder, Fermented Product, Ice-cream, Ghee, Butter and Long life milk under the brand name of Amul.

AmulFed Dairy invites bids from reputed vendors for Design, Supply, Installation, Testing & Commissioning of following Product Packing Line/ Machine/Equipment for new 20 LLPD AmulFed II Dairy Plant at Gadhka, Rajkot, Gujarat.

1. Powder Packing Machines
2. Butter Packing Machines
3. Aseptic Packing Lines along with downstream equipment

For further information please visit our website: www.amul.com/m/tender-notice

General Manager
AmulFed Dairy, Gandhinagar

Plot No. 35, Nr. Indira Bridge,
Village Bhat, Dist: Gandhinagar,
Pin: 382428, Phone 079-23969055-56

Amul SAGAR

PUBLIC NOTICE

BEFORE THE CENTRAL GOVERNMENT REGISTRAR OF COMPANIES,

In the matter of sub-section (3) of Section 13 of Limited Liability Partnership Act, 2008 and rule 17 of the Limited Liability Partnership Rules, 2009. In the matter of the Limited Liability Partnership Act, 2008, Section 13 (3) AND In the matter of AIMATRIX RESEARCH AND CONSULTING LLP having its registered office at H16/374, G/F, SANGAM VIHAR, NEW DELHI, South Delhi, Delhi - 110062, India, Petitioner.

Notice is hereby given to the General Public that the LLP proposes to make a petition to Registrar of Companies, Delhi under section 13 (3) of the Limited Liability Partnership Act, 2008 seeking permission to change its Registered office from the state of "DELHI" to the state of "HARYANA". Any person whose interest is likely to be affected by the proposed change of the registered office of the LLP may deliver or cause to be delivered or send by Registered post of his/her objections supported by an affidavit stating the nature of his/her interest and grounds of opposition supported by an affidavit to the Registrar of Companies, Delhi, within 21(twenty one) days from the date of publication of this notice with a copy to the petitioner LLP at its registered office at the address mentioned above.

For and on behalf of AIMATRIX RESEARCH AND CONSULTING LLP
Sd-
RAHUL CHHONKAR
Designated Partner

Date: 29/04/2024
Place: Delhi

TPCODL

TP CENTRAL ODISHA DISTRIBUTION LIMITED
(A Joint Venture of Tata Power and Government of Odisha)

TP CENTRAL ODISHA DISTRIBUTION LIMITED

A Joint Venture of Tata Power and Govt. of Odisha,
1st Floor, Anuj Building, Plot No.29, Satya Nagar,
Bhubaneswar, Odisha - 751007

NOTICE INVITING TENDER NIT No: TPCODL/P&S/NIT/24-25/03

Bids are invited from eligible Bidders for the following tenders of TPCODL:

Sl. No.	Tender Enquiry No.	Tender Description
1	TPCODL/CCG/2024-25/1000000629	RC for Supply of Three Phase LTCT Meter
2	TPCODL/CCG/2024-25/1000000631	RC for Supply of Power Transformer
3	TPCODL/CCG/2024-25/1000000640	RC for Supply of Fault Passage Indicator and DCU
4	TPCODL/CCG/2024-25/1000000643	RC for Supply of Three Phase HT Meter
5	TPCODL/CCG/2024-25/1000000644	RC for Supply of Three Phase Whole Current Meter

For more details like bid due date, EMD, tender fee, bid opening date etc. of the Tenders, please visit "Tender" section at TPCODL website **https://www.tpcentralodisha.com**. All tenders will be available on TPCODL website w.e.f. from **dtd. 29.04.2024**. Future communication / corrigendum to tender documents, if any, shall be available on TPCODL website.

"Form No. INC-25A"

Advertisement to be published in the newspaper for conversion of public company into a private company
Before the Regional Director,
Ministry of Corporate Affairs

In the matter of the Companies Act, 2013, section 14 of Companies Act, 2013 and Rule 41 of the Companies (Incorporation) Rules, 2014

AND

In the Matter of
PRANUSHA FINANCE LIMITED
CIN: U74899DL1995PLC073610
Having its registered office at
Office No. 310, Avadh Complex, D-5, Laxmi Nagar, East Delhi, Delhi-110092
………….. Applicant

Notice is hereby given to the general public that the company intending to make an application to the Central Government under section 14 of the Companies Act, 2013 read with aforesaid rules and is desirous of converting into a private limited company in terms of the special resolution passed at the Extra Ordinary General Meeting held on 26.04.2024 to enable the company to give effect for such conversion.

Any person whose interest is likely to be affected by the proposed change/status of the company may deliver or cause to be delivered or send by registered post of his objections supported by an affidavit stating the nature of his/her interest and grounds of opposition to the concerned Regional Director, Northern Region, B 2 Wing, 2nd Floor, Deendayal Antyodaya Bhawan, CGO Complex, New Delhi-110003, within fourteen days from the date of publication of this notice with a copy to the applicant company at its registered office at the address mentioned as above.

For and on behalf of the Applicant
PRANUSHA FINANCE LIMITED
SD/-
ABDUL RAHAMAN
Director
DIN. 05267178
Date-27.04.2024
Place- New Delhi

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL AT CHENNAI
COMPANY PETITION NO. 35 OF 2024
In the matter of the Companies Act, 2013
And
In the matter of Section 66 and other applicable provisions of the Companies Act, 2013 and the National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016
And
In the matter of reduction of share capital of

M/s. Sundaram Fund Services Limited
CIN: U67120TN2008PLC068388
Having its registered office at 21, Patullos Road, Chennai, Tamil Nadu - 600002,
Represented by its Director, Mr. R Ajith Kumar & Mr. R.S. Raghunathan

... Petitioner Company

Form No. RSC-4
[Pursuant to rule 3(3)]
Publication of Notice

Notice may be taken that a petition vide CP No. CP/35/CHE/2024 (**Company Petition**) has been presented before the National Company Law Tribunal at Chennai (**Hon'ble Tribunal**), on 09th April 2024 for reduction of share capital from INR 45,00,30,000/- (Indian Rupees Forty Five Crores and Thirty Thousand only) divided into 4,50,03,000 (Four Crores Fifty Lakhs and Three Thousand) equity shares of INR 10/- (Indian Rupees Ten only) each fully paid up to INR 1,50,30,000/- (Indian Rupees One Crore Fifty Lakhs and Thirty Thousand only) divided into 15,03,000 (Fifteen Lakhs and Three Thousand) equity shares of INR 10/- (Indian Rupees Ten only) each fully paid up by adjusting and cancelling the negative balance of retained earnings (accumulated losses) of the Petitioner Company to the extent of INR 43,50,00,000/- (Indian Rupees Forty Three Crores and Fifty Lakhs only).

The Petitioner Company has no secured and unsecured creditors. The relevant documents prepared by the Petitioner Company are available at the registered office of the Petitioner Company for inspection on the working days during 11 AM to 5 PM between Monday to Friday. The relevant documents prepared by the Petitioner Company are available at the registered office of the Petitioner Company for inspection on the all working days during 11 AM to 5 PM between Monday to Friday.

If any stakeholder of the Petitioner Company has any objection to the Company Petition or the details thereof, the same may be sent (along with supporting documents) and details about his name and address and the name and address of his Authorised Representative, if any, to the undersigned at the registered office of the Company at 21, Patullos Road, Chennai, Tamil Nadu 600002 before the next hearing date.

It may also be noted that a hearing has been fixed for 12th June 2024 on which the Hon'ble Tribunal shall hear the Company Petition, in case any stakeholder intends to attend the hearing, he should make a request along with his objections, if any.

Dated this 29th of April, 2024 at Chennai

For Sundaram Fund Services Limited
SD/-
Mr. R Ajith Kumar
Director
DIN: 07709222
Address: 21, Patullos Road, Chennai, Tamil Nadu - 600002

THIS IS A PUBLIC ANNOUNCEMENT FOR INFORMATION PURPOSES ONLY AND IS NOT A PROSPECTUS ANNOUNCEMENT AND DOES NOT CONSTITUTE AN INVITATION OR OFFER TO ACQUIRE, PURCHASE OR SUBSCRIBE TO SECURITIES. NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION DIRECTLY OR INDIRECTLY, OUTSIDE INDIA. INITIAL PUBLIC OFFERING OF EQUITY SHARES ON THE MAIN BOARD OF THE STOCK EXCHANGES IN COMPLIANCE WITH CHAPTER II OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED ("SEBI ICDR REGULATIONS").

PUBLIC ANNOUNCEMENT

(Please scan the QR Code to view the DRHP)

DIFFUSION
Innovative superconditioning solutions

DIFFUSION ENGINEERS LIMITED

Our Company was incorporated under the provisions of the Companies Act, 1956 with the name "Diffusion Engineers Private Limited" pursuant to certificate of incorporation dated November 05, 1982 issued by Registrar of Companies, Maharashtra. Further, pursuant to resolutions passed by our Board of Directors at its meeting held on May 06, 1995 and by our Shareholders at the extra-ordinary general meeting held on May 17, 1995, our Company was converted into a public limited company. Consequently, our name was changed to "Diffusion Engineers Limited" and a fresh Certificate of Incorporation dated July 03, 1995, was issued by the Registrar of Companies, Karnataka at Bangalore. For details in relation to the change in our Registered Office of our Company, see *"History and Certain Corporate Matters"* beginning on page 269 of the draft red herring prospectus dated April 27, 2024 ("**DRHP**") filed with Securities and Exchange Board of India ("**SEBI**").

Registered Office: T-5 & T-6, Nagpur Industrial Area, MIDC, Hingna, Nagpur - 440016 Maharashtra; **Telephone:** +91 9158317943;
Contact Person: Chanchal Rajesh Jaiswal, Company Secretary and Compliance Officer; **E-mail:** cs@diffusionengineers.com; **Website:** www.diffusionengineers.com
Corporate Identity Number: U99999MH2000PLC124154

PROMOTERS OF THE COMPANY: PRASHANT GARG, DR. NITIN GARG AND CHITRA GARG

INITIAL PUBLIC OFFER OF UP TO 9,847,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF DIFFUSION ENGINEERS LIM ITED ("COMPANY OR "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) ("ISSUE PRICE") AGGREGATING UP TO ₹ [●] MILLION ("ISSUE"). THIS ISSUE INCLUDES A RESERVATION OF UP TO [●] EQUITY SHARES (CONSTITUTING UP TO [●]% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL) FOR PURCHASE BY ELIGIBLE EMPLOYEES (THE "EMPLOYEE RESERVATION PORTION"). THE ISSUE LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WOULD CONSTITUTE [●]% AND [●]%, RESPECTIVELY, OF OUR POST-ISSUE PAID-UP EQUITY SHARE CAPITAL. OUR COMPANY IN CONSULTATION WITH THE BRLM, MAY OFFER A DISCOUNT OF UP TO [●]% (EQUIVALENT TO ₹ [●] PER EQUITY SHARE) TO THE ISSUE PRICE TO ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION ("EMPLOYEE DISCOUNT").

THE FACE VALUE OF EQUITY SHARES IS ₹ 10 EACH. THE ISSUE PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER AND WILL BE ADVERTISED IN ALL EDITIONS OF [●] AND ALL EDITIONS OF [●] (WHICH ARE WIDELY CIRCULATED ENGLISH DAILY NEWSPAPER AND HINDI DAILY NEWSPAPER), AND [●] EDITIONS OF THE MARATHI REGIONAL NEWSPAPER (MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA, WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", AND TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS").

In case of any revision to the Price Band, the Bid/ Issue Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/ Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company, in consultation with the Book Running Lead Manager, may for reasons to be recorded in writing, extend the Bid/ Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the respective websites of the Book Running Lead Manager and at the terminals of the Syndicate Members and by intimation to Self-Certified Syndicate Banks ("**SCSBs**"), other Designated Intermediaries and the Sponsor Bank, as applicable.

The Issue is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("**SCRR**") read with Regulation 31 of the SEBI ICDR Regulations. The Issue is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIB Portion**"), provided that our Company, in consultation with the Book Running Lead Manager, may allocate up to 60% of the QIB Portion to Anchor Investors and the basis of such allocation will be on a discretionary basis by our Company, in consultation with the BRLM, in accordance with the SEBI ICDR Regulations (the "**Anchor Investor Portion**"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors ("**Anchor Investor Allocation Price**"). In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (other than the Anchor Investor Portion) (the "**Net QIB Portion**"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation to NIIs ("**Non-Institutional Category**") of which one-third of the Non-Institutional Category shall be available for allocation to Bidders with an application size of more than ₹0.20 million and up to ₹1.00 million and two-thirds of the Non-Institutional Category shall be available for allocation to Bidders with an application size of more than ₹1.00 million and under -subscription in either of these two sub-categories of Non-Institutional Category may be allocated to Bidders in the other sub-category of Non-Institutional Category in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. Further, not less than 35% of the Issue shall be available for allocation to RIIs ("**Retail Category**"), in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All Bidders (except Anchor Investors) shall mandatorily participate in this Issue only through the Application Supported by Blocked Amount ("**ASBA**") process and shall provide details of their respective bank account (including UPI ID (defined hereinafter) in case of UPI Bidders (defined hereinafter) in which the Bid Amount will be blocked by the Self Certified Syndicate Banks ("**SCSBs**") or the Sponsor Bank(s), as the case may be. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For details, see *"Issue Procedure"* on page 430 of the DRHP.

This public announcement is made in compliance with the provisions of Regulation 26(2) of the SEBI ICDR Regulations to inform the public that our Company is proposing to undertake, subject to applicable statutory and regulatory requirements, receipt of requisite approvals, market conditions and other considerations, an initial public offer of its Equity Shares pursuant to the Issue and has filed the DRHP dated April 27,2024 with the Securities and Exchange Board of India ("**SEBI**"). The Draft Red Herring Prospectus dated April 27, 2024 is being resubmitted in accordance with SEBI's circular dated February 6, 2024.

Pursuant to Regulation 26(1) of the SEBI ICDR Regulations, the DRHP filed with SEBI shall be made available to the public for comments, if any, for period of at least 21 days, from the date of filing by hosting it on the website of SEBI at www.sebi.gov.in, on the websites of the Stock Exchanges i.e., BSE at www.bseindia.com, NSE at www.nseindia.com where the equity shares are proposed to be listed and on the website of the BRLM, i.e. Unistone Capital Private Limited at www.unistonecapital.com and the website of our Company at www.diffusionengineers.com. Our Company hereby invites the public to give comments on the DRHP dated April 27, 2024 filed with SEBI with respect to disclosures made therein. The members of public are requested to send a copy of the comments to SEBI, to the Company Secretary and Compliance Officer of our Company and/or the BRLM at their respective addresses mentioned below. All comments must be received by SEBI and/or our Company and/or the BRLM and/or the Company Secretary and Compliance Officer of our Company at their respective addresses mentioned herein below in relation to the Issue on or before 5:00 p.m. on the 21st day from the aforesaid date of filing the DRHP with SEBI.

Investments in equity and equity-related securities involve a degree of risk and Bidders should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, Bidders must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have neither been recommended, nor approved by the SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of the DRHP. Specific attention of the Bidders is invited to *"Risk Factors"* beginning on page 39 of the DRHP.

Any decision to invest in the Equity Shares described in the DRHP may only be made after the red herring prospectus ("**Red Herring Prospectus**") has been filed with the RoC and must be made solely on the basis of such Red Herring Prospectus as there may be material changes in the Red Herring Prospectus from the DRHP.

The Equity Shares, when offered, through the Red Herring Prospectus, are proposed to be listed on the main board of the Stock Exchanges.

For details of the main objects of the Company as contained in its Memorandum of Association, see "*History and Certain Corporate Matters*" on page 269 of the DRHP.

The liability of the members of the Company is limited. For details of the share capital and capital structure of the Company and the names of the signatories to the Memorandum of Association and the number of shares subscribed by them see "*Capital Structure*" on page 106 of the DRHP.

BOOK RUNNING LEAD MANAGER	REGISTRAR TO THE ISSUE
UNISTONE **UNISTONE CAPITAL PRIVATE LIMITED** A/ 305, Dynasty Business Park, Andheri-Kurla Road, Andheri East, Mumbai – 400 059, India. **Telephone:** +91 9820057533; **Email:** mb@unistonecapital.com **Investor grievance email:** compliance@unistonecapital.com **Contact Person:** Brijesh Parekh; **Website:** www.unistonecapital.com **SEBI registration number:** INM000012449 **CIN:** U65999MH2019PTC330850	**BIGSHARE SERVICES PRIVATE LIMITED** S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai –400 093, Maharashtra, India. **Telephone:** 022-62638200; **Facsimile:** 022-63638280 **Email:** ipo@bigshareonline.com **Investor grievance email:** investor@bigshareonline.com **Contact Person:** Babu Rapheal C.; **Website:** www.bigshareonline.com **SEBI Registration Number:** INR000001385; **CIN:** U99999MH1994PTC076534

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

For **DIFFUSION ENGINEERS LIMITED**
On behalf of the Board of Directors
Sd/-
Chanchal Rajesh Jaiswal
Company Secretary and Compliance Officer

Place : Nagpur
Date : April 27, 2024

DIFFUSION ENGINEERS LIMITED is proposing, subject to applicable statutory and regulatory requirements, receipt of requisite approvals, market conditions and other considerations, to undertake an initial public offer of its Equity Shares and has filed the DRHP dated April 27,2024 with SEBI and therafter with the Stock Exchanges. The DRHP is available on the website of SEBI at www.sebi.gov.in, on the websites of the Stock Exchanges i.e., BSE at www.bseindia.com, NSE at www.nseindia.com and on the website of the BRLM, i.e. Unistone Capital Private Limited at www.unistonecapital.com and the website of our Company at www.diffusionengineers.com. Potential investors should note that investment in equity shares involves a high degree of risk and for details relating to such risk, see the section titled "*Risk Factors*" beginning on page 39 of the DRHP. Potential investors should not rely on the DRHP filed with SEBI for making any investment decision.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act of 1933 (the "**U.S. Securities Act**") or any state securities laws in the United States, and unless so registered, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S and the applicable laws of the jurisdictions where those offers and sales are made. There will be no public offering of the Equity Shares in the United States.

CONCEPT

OLD BRIDGE

NOTICE

Investors are requested to note that in accordance with Regulation 59 of SEBI (Mutual Funds) Regulations, 1996 the Unaudited Half Yearly Financial Results of the Scheme of Old Bridge Mutual Fund for the half year ended March 31, 2024, are hosted on the website www.oldbridgemf.com and www.amfiindia.com.

For Old Bridge Asset Management Private Limited
(Investment Manager for Old Bridge Mutual Fund)
Sd/-
Authorised Signatory

Date: April 29, 2024
Place: Mumbai

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

Old Bridge Asset Management Pvt. Ltd.
1705, C Wing, One BKC, G-Block,
Bandra Kurla Complex, Bandra East,
Mumbai - 400051, **Tel:** +91 22 69459999   CIN - U67120MH2022PTC394844

RBLBANK
apno ka bank

RBL BANK LIMITED

Scan to open Instant Digital Savings Account.

Registered Office: 'Mahaveer', 179/E Ward, Shri Shahu Market Yard, Kolhapur - 416005
Corporate Office: One World Centre, Tower 2B, 6th Floor, 841, Senapati Bapat Marg, Lower Parel (W), Mumbai-400013, **Tel.:** +91 22 4302 0600,
Fax: +91 22 4302 0520, **Website:** www.rblbank.com | **E-mail:** investorgrievances@rblbank.com | **CIN:** L65191PN1943PLC007308

Performance Q4 FY 2023-24 (Standalone)

Net Interest Margin	5.45%
Advances Growth (YoY)	20%
Deposits Growth (YoY)	22%
Provision Coverage Ratio	72.73%
CRAR	16.18%
Net NPA	0.74%

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024

(₹ in lakh)

Sr. No.	Particulars	Standalone				Consolidated			
		Quarter ended		Year ended		Quarter ended		Year ended	
		31.03.2024 (Audited)	31.03.2023 (Audited)	31.03.2024 (Audited)	31.03.2023 (Audited)	31.03.2024 (Audited)	31.03.2023 (Audited)	31.03.2024 (Audited)	31.03.2023 (Audited)
1	Total Income from Operations	421,456	331,643	1,543,719	1,216,601	421,499	332,670	1,545,375	1,218,353
2	Net Profit / (Loss) for the period (before Tax, Exceptional and/or Extraordinary items)	47,324	35,908	125,228	118,051	48,590	39,043	134,871	122,115
3	Net Profit / (Loss) for the period before tax (after Exceptional and/or Extraordinary items)	47,324	35,908	125,228	118,051	48,590	39,043	134,871	122,115
4	Net Profit / (Loss) for the period after tax (after Exceptional and/or Extraordinary items)	35,264	27,105	116,792	88,273	36,443	29,857	125,989	91,954
5	Equity Share Capital	60,510	59,957	60,510	59,957	60,510	59,957	60,510	59,957
6	Reserves (excluding Revaluation Reserve) as shown in the Audited Balance Sheet of the previous year			1,419,080	1,297,651			1,423,184	1,292,558
7	Earnings Per Share (of ₹ 10/- each) (for continuing and discontinued operations) – not annualised								
a)	Basic: (₹)	5.84	4.52	19.41	14.72	6.03	4.98	20.94	15.34
b)	Diluted: (₹)	5.73	4.49	19.04	14.66	5.92	4.95	20.54	15.27
8	Net Worth	1,420,610	1,299,626	1,420,610	1,299,626				
9	Debt Equity Ratio*	0.96	0.98	0.96	0.98				

** Debts represent the total Borrowings; Equity represents total Share capital and reserves.*

Note:

1. Information relating to Total Comprehensive Income and Other Comprehensive Income are not furnished as IndAS is not yet made applicable to banks.
2. The above is an extract of the detailed format of quarterly / annual financial results filed with the stock exchanges under Regulation 33 (Listing and Other Disclosure Requirements) Regulations, 2015. Full format of quarterly / annual financial results are available on Stock Exchange(s) websites (www.nseindia.com and www.bseindia.com) and Bank's website www.rblbank.com.
3. Securities Premium as at March 31, 2024 ₹ 894,992 lakh (March 31, 2023 ₹886,042 lakh) and Outstanding Debt as at March 31, 2024 ₹1,418,409 lakh (March 31, 2023 ₹1,333,128 lakh)

Place: Mumbai
Date: April 27, 2024

For **RBL Bank Limited**
R. Subramaniakumar
Managing Director & CEO

Adfactors 32 R

Aadhar Housing Finance Ltd.

Corporate Office: Unit No.802, Natraj Rustomjee, Western Express Highway and M.V.Road, Andheri (East), Mumbai-400069

Kosi Kalan Branch: 1067,1st Floor Rawat Complex, Kosikalan, Mathura- 281403 (Uttar Pradesh)

Aligarh Branch : Office 305, 306 & 307, 2nd Floor, Great Shopping Mall Village Kasba Koil, Near Vidya Nagar Colony, Ramghat Road, Aligarh-202001 (UP).

Authorised Officer : Anuj Saxena, Contact No.: 8149195908

PROPERTY FOR SALE UNDER PROVISIONS OF SARFAESI ACT, 2002 THROUGH PRIVATE TREATY

Whereas the Authorised Officer, Aadhar Housing Finance Limited (AHFL) has taken the Possession u/s 13(4) of the Securitisation & Reconstruction of Financial Assets and Enforcement of Security interest Act, 2002 (The SARFAESI Act, 2002) of the property ("the Secured Asset") given below The Authorised Officer has received offer of Sale from some interested party against the above mentioned Secured Asset under the SARFAESI Act for recovery of the Secured Debt. Now, the Authorised Officer is hereby giving the Notice to Sale of the above said property through Private Treaty in terms of rule 8 and 9 of the Security Interest (Enforcement) Rules 2002. The Details of the Account are as follows:

Sr. No.	Loan Code No.	Name of the Borrower/ Co-Borrowers	Demand Notice Date & Amount	Reserve Price (RP)	Total Outstanding Loan Amount as on Date 29-02-2024	Description of the Secured Asset
1	**(Loan Code No. 15610000203 / Kosi Kalan Branch)**	**Tulsa W/o Pawan Verma** (Borrower), **Pawan S/o Hariom** (Co-Borrower)	**13-09-2023 & ₹ 15,66,314/-**	**Rs. 7,00,000/-**	**₹ 16,88,900/-** (Rupees Sixteen Lakh Eighty EightThousand Nine Hundred Only)	All that part & parcel of property bearing, G.F and F.F. 841 B Moh Neemtal, Mauza Palwal Main Market Road Palwal, Haryana - 121102. **Boundaries:** East: 24 Feet Baad Property of Dharampal, West: 24 Feet Baad Property of Shyam Dattar, North: 15.4 Feet Baad Purana Kua, South: 18.6 Feet Baad Rasta 8.3 Feet Chauda
2	**(Loan Code No. 05200000435/ Aligarh Branch)**	**Praveen Kumar** (Borrower), **Neeraj Kumari** (Co-Borrower) **Bharat Singh** (Guarantor)	**12-07-2021 & ₹ 7,91,139/-**	**Rs. 5,50,000/-**	**₹ 11,71,405/-** (Rupees Eleven Lakh Seventy One Thousand Four Hundred and Five Only)	All that piece and parcel of property bearing, Plot at Khet No 54 Kha Pala Sahibabad Gali No 13 Aligarh, Aligarh, Uttar Pradesh 202001. **Boundaries:-** East- Measuring 13.70 ft. After Property of Seller, West - Measuring 13.70 ft. After Road 12 Ft. Wide, North- Measuring 32.75 Ft. After Property of Seller, South - Measuring 32.75 Ft. After Property of Seller

The Authorised officer will hold auction for sale of the Secured Asset on 'As is where is Basis', 'As is what is basis' and 'Whatever is there is basis'. AHFL is not responsible for any liabilities whatsoever pending upon the said property. The Authorised Officer reserves the right to accept or reject the offer without assigning any reason whatsoever and sale will be subject to confirmation by Secured Creditor. On the acceptance of offer of proposed buyer, he/she is required to deposit 25% of accepted price inclusive adjustment of Earnest Money Balance immediately and the balance amount shall be paid by the purchaser within 15 (fifteen) days from date of acceptance of Offer by the Secured Creditor. The proposed buyer is to note that in case of failure of payment of balance amount by him/her within the time specified, the amount already deposited shall stand forfeited and property will be resold accordingly.

This is **15 DAYS SALE NOTICE UNDER SARFAESI ACT, 2002** is hereby given to the public in general and in particular to the Borrower (s), Co-Borrower (s) and Guarantor (s) that the above described immovable property mortgaged/charged to the Secured Creditor, the **Physical Possession** of which has been taken by the Authorised Officer of Aadhar Housing Finance Limited (AHFL) Secured Creditor, will be sold on "As is where is", "As is what is", and "Whatever there is" and to the amount due to Aadhar Housing Finance Ltd., in full before the date of sale, auction is liable to be stopped.

If the Borrower(s), co-borrower(s) has any buyer who is ready to purchase the mortgage property/secured asset at price above the given reserve price then Borrower(s), Co-borrower(s) must intimate to AHFL on or before 14-05-2024 AHFL shall give preference to him. If Borrower(s), co-borrower(s) fails to intimate on or before 14-05-2024 the AHFL will proceed sale of property at above given reserve price.

The Date of Auction is fixed for 14-05-2024

Place : Uttar Pradesh/ Haryana **Sd/- (Authorised Officer)**

Date : 29-04-2024 **For Aadhar Housing Finance Limited**

Jumbo Finvest (India) Ltd.

Address:-102, Kanchan Appartment Opp. LBS College, Tilak Nagar, Jaipur Tel No: 0141-4047438, Email: legalsupport@jumbofin.com

APPENDIX IV [See Rule 8(I)] POSSESSION NOTICE

Whereas,

The undersigned being the Authorized Officer of the Jumbo Finvest (India) Limited under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and in exercise of Powers conferred under Section 13(12) read with Rule 3 of the Security Interest (Enforcement) Rules, 2002, issued a demand notice dated 16/12/2020 calling upon the Borrowers/Guarantor/Mortgagor Astitva Buildsqure Private Limited Through it's Directors, Mr.Manoj Singh S/o Mr. Chhattar Singh ((Director Astitva Buildsqure Private Limited), Mr. Mukesh Sharma S/o Mr.Jagdish Kumar Sharma (Director Astitva Buildsqure PrivateLimited), Mr.Manoj Singh S/o Mr. Chhattar Singh and Mr. Jitendra Singh jadon S/o Mr. Narayan Singh Jadon to repay the amount mentioned in the notice being is Rs. 1,41,19,269/- (in words Rupees One crore forty one lakh nineteen thousand two hundred sixty nine only) as on 07/12/2020 with further interest & charges until payment in full within 60 days from the date of notice/date of receipt of the said notice.

The borrowers/guarantor/mortgagor having failed to repay the amount, notice is hereby given to the borrower/ mortgagor and the public in general that the undersigned has taken possession of the property described herein below in exercise of powers conferred on him/her under Section 13(4) of the said Act read with Rule 8 of the said Rules on this 25 day of April of the year 2024.

The borrowers/guarantor/mortgagor attention is invited to provisions of sub-section (8) of section 13 of the Act, in respect of time available, to redeem the secured assets.

The borrowers/guarantor/mortgagor in particular and the public in general is hereby cautioned not to deal with the property and any dealings with the property will be subject to the charge of the Jumbo Finvest (India) Limited for an amount of Rs. 1,41,19,269/- (in words Rupees One crore forty one lakh nineteen thousand two hundred sixty nine only) as on 07/12/2020 and interest, charges and expenses thereon until full payment.

DESCRIPTION OF THE IMMOVABLE PROPERTY

All that part and parcel of the property of Mr.Manoj Singh S/o Mr. Chhattar Singh situated at Plot No.11,12 &13, Mayur Guarden,Village-Khatwara,Tehsil- Sanganer, jaipur Rajasthan Total Admeasuring Area 878.99 Sq.Yds.

Bounded by:
North: As per title deed South: As per title deed
East: As per title deed West : As per title deed

Date : 25-04-2024 **Authorised Officer,**
Place : Jaipur **Jumbo Finvest (India) Limited**

Jumbo Finvest (India) Ltd.

Address:-102, Kanchan Appartment Opp. LBS College, Tilak Nagar, Jaipur Tel No: 0141-4047438, Email: legalsupport@jumbofin.com

APPENDIX IV [See Rule 8(I)] POSSESSION NOTICE

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The undersigned being the Authorized Officer of the Jumbo Finvest (India) Limited under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and in exercise of Powers conferred under Section 13(12) read with Rule 3 of the Security Interest (Enforcement) Rules, 2002, issued a demand notice dated 16/12/2020 calling upon the Borrowers/Guarantor/Mortgagor Astitva Buildsqure Private Limited Through it's Directors, Mr.Manoj Singh S/o Mr. Chhattar Singh ((Director Astitva Buildsqure Private Limited), Mr. Mukesh Sharma S/o Mr.Jagdish Kumar Sharma (Director Astitva Buildsqure PrivateLimited), Mr. Mukesh Sharma S/o Mr.Jagdish Prasad Sharma and Mr. Jitendra Singh jadon S/o Mr. Narayan Singh Jadon to repay the amount mentioned in the notice being is Rs. 1,41,19,269/- (in words Rupees One crore forty one lakh nineteen thousand two hundred sixty nine only) as on 07/12/2020 with further interest & charges until payment in full within 60 days from the date of notice/date of receipt of the said notice.

The borrowers/guarantor/mortgagor having failed to repay the amount, notice is hereby given to the borrower/ mortgagor and the public in general that the undersigned has taken possession of the property described herein below in exercise of powers conferred on him/her under Section 13(4) of the said Act read with Rule 8 of the said Rules on this 25 day of April of the year 2024.

The borrowers/guarantor/mortgagor attention is invited to provisions of sub-section (8) of section 13 of the Act, in respect of time available, to redeem the secured assets.

The borrowers/guarantor/mortgagor in particular and the public in general is hereby cautioned not to deal with the property and any dealings with the property will be subject to the charge of the Jumbo Finvest (India) Limited for an amount of Rs. 1,41,19,269/- (in words Rupees One crore forty one lakh nineteen thousand two hundred sixty nine only) as on 07/12/2020 and interest, charges and expenses thereon until full payment.

DESCRIPTION OF THE IMMOVABLE PROPERTY

All that part and parcel of the property of Mr. Mukesh Sharma S/o Mr.Jagdish Prasad Sharma situated at Plot No.05,14,15, In Scheme Mayur Guarden,Village-Khatwara,Tehsil-Sanganer, jaipur Rajasthan Total Admeasuring Area 812.09 Sq.Yds.

Bounded by:
North: As per title deed South: As per title deed
East: As per title deed West : As per title deed

Date : 25-04-2024 **Authorised Officer,**
Place : Jaipur **Jumbo Finvest (India) Limited**

THIS IS A PUBLIC ANNOUNCEMENT FOR INFORMATION PURPOSES ONLY AND IS NOT A PROSPECTUS ANNOUNCEMENT AND DOES NOT CONSTITUTE AN INVITATION OR OFFER TO ACQUIRE, PURCHASE OR SUBSCRIBE TO SECURITIES. NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION DIRECTLY OR INDIRECTLY OUTSIDE INDIA.

SHIVAM

SHIVAM CHEMICALS LIMITED

Please scan this QR Code to view the Prospectus dated April 15, 2024

Corporate Identity Number is U24100MH2010PLC208870

Our Company was incorporated as "Sun Organosys Private Limited" on October 12, 2010 under the Companies Act, 1956 with the Registrar of Companies, Mumbai bearing Registration number 208870. The name of our Company was changed to Shivam Chemicals Private Limited vide Ordinary Resolution dated January 17, 2012 and a fresh certificate of incorporation was issued on January 30, 2012 by the Registrar of Companies, Mumbai. Thereafter, the status of the Company was changed to Public Limited and the name of our Company was changed to Shivam Chemicals Limited vide Special Resolution dated November 04, 2023 and a fresh certificate of incorporation consequent to conversion was issued on November 21, 2023 by the Registrar of Companies, Mumbai. The Corporate Identification Number of our Company is U24100MH2010PLC208870. For further details, please refer to the chapter History and Certain Corporate Matters beginning on page no. 100 of this Prospectus.

Registered Office: Office No. 108, 1st Floor, Hubtown Solaris, Off N.S.Phadke Marg, Saiwadi, Andheri (E), Mumbai, Maharashtra, India, 400069. **Tel No.:** +91 98199 68855; **Email:** info@shivamchem.com **Website:** www.shivamchem.com **Contact Person:** Rishita Taparia, Company Secretary and Compliance Officer.

OUR PROMOTERS: SANJIV GIRDHARLAL VASANT, SOHAM SANJIV VASANT AND SHIVAM SANJIV VASANT

"The Issue is being made in accordance with Chapter IX of the SEBI ICDR Regulations (IPO of Small and Medium Enterprises) and the Equity Shares are proposed to be listed on the SME Platform of BSE Limited ("BSE").

BASIS OF ALLOTMENT

INITIAL PUBLIC OFFER OF 45,87,000 EQUITY SHARES OF ₹ 10 EACH ("EQUITY SHARES") OF SHIVAM CHEMICALS LIMITED ("SCL" OR THE "COMPANY") FOR CASH AT A PRICE OF ₹ 44 PER SHARE (THE "ISSUE PRICE"), AGGREGATING ₹ 2,018.28 LAKHS ("THE ISSUE"), OF WHICH 2,31,000 EQUITY SHARES OF ₹ 10 EACH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THAN THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 43,56,000 EQUITY SHARES OF ₹10 EACH IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 27.00% AND 25.64% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10/- AND THE ISSUE PRICE IS 4.4 TIMES OF THE FACE VALUE

FIXED PRICE ISSUE AT ₹ 44/- PER EQUITY SHARE

MINIMUM APPLICATION SIZE OF 3,000 EQUITY SHARES AND IN MULTIPLES OF 3,000 EQUITY SHARES THEREAFTER

BID/ISSUE PERIOD **BID/ISSUE OPENED ON: TUESDAY, APRIL 23, 2024 | BID/ISSUE CLOSED ON: THURSDAY, APRIL 25, 2024**

RISK TO INVESTORS:

1. Our Equity Shares have never been publicly traded, and may experience price and volume fluctuations following the completion of the Issue. Further, our Equity Shares may not result in an active or liquid market and the price of our Equity Shares may be volatile and you may be unable to resell your Equity Shares at or above the Issue Price or at all.
2. The average cost of acquisition of Equity Shares by our Promoters is as follows

Sr. No.	Name of the Promoters	Average cost of Acquisition (in ₹)
I.	Sanjiv Girdharlal Vasant	0.32
II.	Soham Sanjiv Vasant	0.32
III.	Shivam Sanjiv Vasant	Nil

3. Weighted Average Cost of Acquisition calculated (on fully diluted basis for the trailing eighteen months) from the date of the Prospectus.

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Issue Price (₹ 44/- per Equity Share)
Weighted average cost of acquisition of primary / new issue of shares.*	NA	NA
Weighted average cost of acquisition for secondary sale / acquisition of shares.**	NA	NA

*Excluding the shares issued under issuance of bonus shares

**Excluding the shares acquired / sold for minimum requirement of 7 shareholders at the time of conversion from Private Limited to Public Limited

There was no secondary sale/acquisition (exceeding 5% of pre issue capital) of shares in last 18 months of the date of Prospectus

Investors are required to refer section Investors are required to refer section titled "Risk Factors" on page 21 of the Prospectus.

PROPOSED LISTING: MONDAY, APRIL 29, 2024*

This issue is being made in terms of Chapter IX of the Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ("SEBI (ICDR) Regulations") in terms of rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, this is an issue for at least 25% of the post-issue paid-up equity share capital of our Company. This issue is a fixed price issue and allocation in the net issue to the public will be made in terms of regulation 253 of the SEBI (ICDR) regulations. For further details, please refer chapter titled "issue procedure" beginning on page 186 of the prospectus dated April 15, 2024.

***Subject to the receipt of listing and trading approval from BSE Limited ("BSE").**

SUBSCRIPTION DETAILS

The Net Issue has received 6,894 applications for 2,85,75,000 Equity Shares resulting in 6.23 times subscription. The details of the applications received in the Net Issue (After removing multiple and duplicate bids, bids (UPI Mandates) not accepted by investors/ blocked, bids rejected under application banked but bid not registered and valid rejections cases from the 'Bid Book') are as follows:

Details of the Valid Applications Received

Sr. No.	Category	No. of Applications	No. of Equity Shares Applied	Equity Shares Reserved per Prospectus	No. of Times Subscribed	Amount (₹)
1.	Market Maker	1	2,31,000	2,31,000	1.00	1,01,64,000
2.	Non-Retail Investor's	537	92,76,000	21,78,000	4.26	40,81,44,000
3.	Retail Individual Investor's	6,356	1,90,68,000	21,78,000	8.75	83,89,92,000
	Total	**6,894**	**2,85,75,000**	**45,87,000**	**6.23**	**1,25,73,00,000**

The Basis of allotment was finalized in consultation with the Designated Stock Exchange, being BSE Limited (BSE) on April 26, 2024 and In view of the explanation provided under regulations 253 (2) of the SEBI (ICDR) Regulation, 2018, the Retail Category has applied for 67.27% and 32.73% by Non -Retail Investor; accordingly, we have derived the issue size for different categories. Further, owing to rounding off, an additional share has been proportioned to be allotted in retail investors

1. Allotment to Market Maker (After Technical Rejections): The Basis of Allotment to the Market Maker, at the Issue Price of ₹ 44 per Equity Share, was finalised in consultation with BSE Limited. The category was subscribed by 1.00 times. The total number of shares allotted in this category is 2,31,000 Equity Shares. The category-wise details of the Basis of Allotment are as under:

No. of Shares Applied for (Category Wise)	No. of Applications Received	% to total	Total No. of Shares Applied in Each Category	% to total	No. of Equity Shares Allotted per Applicant	Ratio	Total No. of Shares Allotted
2,31,000	1	100.00	2,31,000	100.00	2,31,000	1:1	2,31,000

2. Allotment to Non-Retail Investor's (After Technical Rejections): The Basis of Allotment to the Non – Retail Investors, at the Issue Price of ₹44 per Equity Share, was finalised in consultation with BSE Limited. The total number of shares allocated in this category is 14,25,000 Equity Shares and after that the category was subscribed by 6.51 times. The category-wise details of the Basis of Allotment are as under (sample basis):

No. of Shares Applied for (Category Wise)	No. of Applications Received	% to total	Total No. of Shares Applied in Each Category	% to total	No. of Equity Shares Allotted per Applicant	Ratio	Total No. of Shares Allotted
6,000	332	61.82	19,92,000	21.47	3,000	102:332	3,06,000
9,000	70	13.04	6,30,000	6.79	3,000	32:70	96,000
12,000	24	4.47	2,88,000	3.10	3,000	15:24	45,000
15,000	10	1.86	1,50,000	1.62	3,000	8:10	24,000
18,000	10	1.86	1,80,000	1.94	3,000	9:10	27,000
21,000	6	1.12	1,26,000	1.36	3,000	1:1	18,000
24,000	21	3.91	5,04,000	5.43	3,000	1:1	63,000
24,000	-	-	-	-	3,000	5:21	15,000
27,000	8	1.49	2,16,000	2.33	3,000	1:1	24,000
27,000	-	-	-	-	3,000	3:8	9,000
30,000	16	2.98	4,80,000	5.17	3,000	1:1	48,000
30,000		-		-	3,000	9:16	27,000
33,000	2	0.37	66,000	0.71	3,000	1:1	6,000
3,30,000		-		-	3,000	1:2	3,000
36,000	1	0.19	36,000	0.39	6,000	1:1	6,000
42,000	1	0.19	42,000	0.45	6,000	1:1	6,000
45,000	10	1.86	4,50,000	4.85	6,000	1:1	60,000
45,000	-	-	-	-	3,000	3:10	9,000
48,000	1	0.19	48,000	0.52	6,000	1:1	6,000
51,000	1	0.19	51,000	0.55	9,000	1:1	9,000
54,000	2	0.37	1,08,000	1.16	6,000	1:1	12,000
54,000	-	-	-	-	3,000	1:2	3,000
60,000	2	0.37	1,20,000	1.29	9,000	1:1	18,000
63,000	1	0.19	63,000	0.68	9,000	1:1	9,000
99,000	1	0.19	99,000	1.07	15,000	1:1	15,000
1,02,000	1	0.19	1,02,000	1.10	15,000	1:1	15,000
1,14,000	1	0.19	1,14,000	1.23	18,000	1:1	18,000
1,17,000	1	0.19	1,17,000	1.26	18,000	1:1	18,000
1,20,000	1	0.19	1,20,000	1.29	18,000	1:1	18,000
1,23,000	1	0.19	1,23,000	1.33	18,000	1:1	18,000
1,32,000	1	0.19	1,32,000	1.42	21,000	1:1	21,000
1,50,000	1	0.19	1,50,000	1.62	24,000	1:1	24,000
1,56,000	1	0.19	1,56,000	1.68	24,000	1:1	24,000
1,68,000	1	0.19	1,68,000	1.81	27,000	1:1	27,000
1,92,000	1	0.19	1,92,000	2.07	30,000	1:1	30,000
2,04,000	1	0.19	2,04,000	2.20	30,000	1:1	30,000
2,10,000	1	0.19	2,10,000	2.26	33,000	1:1	33,000
2,25,000	2	0.37	4,50,000	4.85	33,000	1:1	66,000
2,25,000	-	-	-	-	3,000	1:2	3,000
2,28,000	1	0.19	2,28,000	2.46	36,000	1:1	36,000
2,40,000	2	0.37	4,80,000	5.17	36,000	1:1	72,000
2,40,000	-	-	-	-	3,000	1:2	3,000
6,81,000	1	0.19	6,81,000	7.34	1,05,000	1:1	1,05,000
Total	**537**	**100.00**	**92,76,000**	**100.00**	**-**	**-**	**14,25,000**

3. Allotment to Retail Individual Investors (After Technical Rejections): The Basis of Allotment to the Retail Individual Investors, at the Issue Price of ₹44 per Equity Share, was finalised in consultation with BSE Limited. The total number of shares allocated in this category is 29,31,000 Equity Shares and after that the category was subscribed by 6.51 times. The category-wise details of the Basis of Allotment are as under:

No. of Shares Applied for (Category Wise)	No. of Applications Received	% to total	Total No. of Shares Applied in Each Category	% to total	No. of Equity Shares Allotted per Applicant	Ratio	Total No. of Shares Allotted
3,000	6,356	100.00	1,90,68,000	100.00	3,000	977: 6356	29,31,000

The Board of Directors of the Company at its meeting held on April 26, 2024, has taken on record the Basis of Allotment of Equity Shares, as approved by the Designated Stock Exchange viz. BSE Limited and has authorized the corporate action for the allotment of the Equity Shares to various successful applicants.

The CAN-cum-Refund Orders and allotment advice and/or notices are being dispatched to the address of the Applicants as registered with the depositories as filled in the application form. Further, the instructions to Self Certified Syndicate Banks were being processed on April 26, 2024. In case the same is not received within ten days, investors may contact the Registrar to the issue at the address given below. The Equity Shares allocated to successful applicants shall be uploaded on April 29, 2024 for credit into the respective beneficiary accounts subject to validation of the account details with depositories concerned. The Company is in the process of obtaining approval from BSE Limited and the trading of the equity shares is expected to commence trading on April 30, 2024.

Note: All capitalized terms used and not defined herein shall have the respective meanings assigned to them in the Prospectus dated April 15, 2024 **("Prospectus").**

INVESTOR PLEASE NOTE

The details of the allotment made has been hosted on the website of the Registrar to the Issue, Cameo Corporate Services Limited at Website: www.cameoindia.com

All future correspondence in this regard may kindly be addressed to the Registrar to the Issue quoting full name of the First/Sole Bidder Serial number of the ASBA Form, Number of Equity Shares bid for, Bidder DP ID, Client ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, the name and address of the Designated Intermediary where the Bid cum Application Form was submitted and copy of the acknowledgement Slip received from the Designated Intermediary and payment details at the address given below:

CAMEO

CAMEO CORPORATE SERVICES LIMITED
Subramanian Building, No. 1, Club House Road,
Chennai – 600 002. **Tel.:** +91 – 44 – 40020700 (5 Lines)
E-mail: priya@cameoindia.com
Investor Grievance Email: investor@cameodina.com
Website: www.cameoindia.com
Contact Person: K. Sreepriya
SEBI Registration. No.: INR 000003753

For Shivam Chemicals Limited
On behalf of the Board of Directors
Sd/-
Sanjiv Girdharlal Vasant
Managing Director
DIN: 03036854

Date: April 27, 2024
Place: Mumbai

LEVEL OF SUBSCRIPTION SHOULD NOT BE TAKEN TO BE INDICATIVE OF EITHER THE MARKET PRICE OF THE EQUITY SHARE ON LISTING OR THE BUSINESS PROSPECTS OF SHIVAM CHEMICALS LIMITED.

Declaimer: Shivam Chemicals Limited has filled the Prospectus dated April 15, 2024 with the Registrar of Companies, Mumbai SEBI and the Stock Exchange. The Prospectus is available on the website of the Lead Manager at www.afsl.co.in and Company at www.shivamchem.com and shall also be available on the website of the BSE and SEBI. Investors should note that investment in Equity Shares involves a high risk and for the details relating to the issue, please see "Risk Factors" beginning on page 21 of the Prospectus.

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and unless so registered, and may not be issued or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with any applicable U.S. state securities laws. The Equity Shares are being issued and sold outside the United States in 'offshore transactions' in reliance on Regulation under the Securities Act and applicable laws of each jurisdiction where such Issue and sales are made. There will be no public issuing in the United States.

Sunjeet Comm.

Basic fire policy doesn't cover self-ignition

CONSUMER PROTECTION

JEHANGIR B GAI

Sanjay Foods, which had its office in Jalgaon, manufactured oil and oil cakes using cotton seeds purchased from ginning and pressing units. It obtained a Standard Fire and Special Perils Policy from United India Insurance, valid from March 6, 2011, to March 5, 2012. The policy covered the building for ₹95 lakh; plant, machinery, and accessories for ₹40 lakh; and stock for ₹2 crore.

During the policy's tenure, on June 4, 2011, a sudden fire broke out in the factory. It was controlled with the help of the fire brigade. A first information report (FIR) was immediately lodged with the Maharashtra Industrial Development Corporation (MIDC) Police Station, and the insurer was also informed. A claim was lodged stating that the total loss was ₹37,28,168, out of which the value of the salvage was ₹7,71,345, resulting in a net loss of ₹29,56,823.

Since the claim was not settled, a notice was issued. The insurer then sent a letter on April 10, 2012, stating that the claim had been rejected based on the survey report that the loss was not covered under the policy. Even though the insured asked for a copy of the report, it was not furnished.

The insured filed a complaint before the Aurangabad Bench of the Maharashtra State Consumer Commission. The insurer contested the case, contending that the claim was not payable as the fire had occurred due to "spontaneous combustion", which was not covered by the policy. The insured argued that the reason for the fire was incorrect. The fire report and the police investigation had recorded the cause of the fire to be a short circuit.

The State Commission went by the survey report and dismissed the complaint. Sanjay Foods appealed against the order, contending that the report of the surveyor was incorrect and contradictory to the report of the fire department and the police investigation. The insured also pointed out that the surveyor had stated that there was no smoke or fumes, which was incorrect as eyewitnesses had filed affidavits stating they had seen smoke and flames.

The National Commission noted that the evidence showed the outer and upper layer of the stock of cotton seeds was not affected, while the inner layer had turned dark brown. The Commission observed that this occurs due to the self-heating property of cotton seed due to humidity, which is known to reach a high temperature leading to ignition and fire, a phenomenon termed as spontaneous combustion. The Commission further observed that even the electric wiring above the stock was not affected, and the colour of the walls and ceiling was also intact, which established that there was no short circuit. Hence, the Commission concluded that the surveyor had rightly concluded the loss to be due to spontaneous combustion and not due to a short circuit.

The National Commission, on reviewing the Fire and Standard Perils Policy, found that spontaneous combustion is excluded unless additional coverage for it is specially purchased

The next issue was whether spontaneous combustion was covered under the policy. The Commission examined the terms of the Fire and Standard Perils Policy and found that unless special additional coverage for spontaneous combustion is obtained, it would not be covered under the policy. Since no such additional coverage had been obtained by the insured, the Commission concluded that the claim had been rightly repudiated.

Accordingly, by its order of April 8, 2024, delivered by Subhash Chandra, the National Commission indicted the insured for making false and inconsistent statements and dismissed the appeal, holding that the claim had been rightly repudiated.

The writer is a consumer activist

Seniors must strike a balance between premium and co-pay

Too low a premium could mean high co-pay, which would pinch at the time of claim settlement

SANJAY KUMAR SINGH & KARTHIK JEROME

The Insurance Regulatory and Development Authority of India (Irdai) has introduced the new Insurance Products Regulations 2024, mandating insurers to offer health insurance plans to all age groups. This replaces the previous requirement that health policies must offer an entry age of at least 65 years.

HEALTH INSURANCE FOR ELDERLY: PREMIUMS VARY WIDELY

Insurer	Plan names	Annual premium (₹) for sum assured ₹20 lakh	Max entry age (yrs)
Niva Bupa Health Insurance	Health ReAssure 2.0 Bronze +	60,631	65
	Senior First Platinum	34,304	75
	Health Companion	57,685	99
Star Health Insurance	Senior Citizen Red Carpet	36,668	75
	Star Comprehensive	50,198	65
	Star Premier	71,918	99
	Star Health Assure Insurance Policy	47,948	75
Aditya Birla Health Insurance	Activ One	50,371	99
	Activ Health Platinum Enhanced	67,732	99
Manipal Cigna Health Insurance	Prime – Advantage	62,760	99
	Prime Senior Elite Plan	44,842	75
	Prime Senior Classic Plan	41,903	75
	Prime Protect	56,745	99

*Premiums are for a 65-year-old living in Delhi Source: Policybazaar.com

Implications for the elderly

The 2016 health insurance guidelines mentioned that companies offering health insurance must provide entry into policies at least up to the age of 65. This cap has now been removed. "Irdai's announcement is a significant step towards greater inclusivity in health insurance," says Rakesh Jain, chief executive officer, Reliance General Insurance.

Rejecting proposals citing age will not be possible. "Senior citizens who are healthy will be able to gain access to health insurance," says Amit Bhandari, chief technical officer, Magma HDI General Insurance.

Senior citizens had limited options until now. "The removal of age-related cap will provide them with multiple options across insurers as they will be able to access all the existing health insurance plans," says Ashish Yadav, head of products and operations, ManipalCigna Health Insurance. He says seniors will gain access to products currently aimed at a younger demographic, which offer comprehensive features.

Will senior citizens get health coverage more easily? That remains to be seen. "Insurers retain complete freedom to price and underwrite products as they choose to," says Kapil Mehta, co-founder, SecureNow.

Product pricing may evolve

Expect greater innovation in products targeting seniors. "Insurers will likely respond by designing specialised products tailored to the needs of this demographic, including coverage for pre-existing conditions," says Jain.

Mehta says around 50-60 per cent of plans with age-related caps will have to be modified.

Their pricing may also change. "The existing products were developed assuming that no new customers over the age of 65 would be acquired. However, if older customers have to be included, insurers may need to reassess their strategies to determine if a price increase is necessary or if they can maintain attractive pricing by targeting larger volumes," says Yadav.

Obstacles senior citizens face

Many seniors have pre-existing diseases (PEDs). "They suffer from chronic conditions such as hypertension, diabetes, high cholesterol, arthritis, etc. This results in loading, which increases the premium. It also leads to exclusions," says Mehta. Exclusion refers to certain ailments being permanently omitted from coverage, or they are covered after a waiting period. Sometimes, proposals are outrightly rejected.

Affordability is a significant challenge. "With age, the likelihood of hospitalisation increases, leading to higher premiums," says Siddharth Singhal, business head-health insurance, Policybazaar.com.

Product options remain limited. While some insurers have increased the entry age in their flagship products, others offer customised policies for seniors with relaxed underwriting norms.

Avoiding denial of coverage

Seniors with routine ailments may select one of the plans available to them. "Seniors with severe conditions might consider a top-up cover with a high deductible, which insurers are likely to issue," says Mehta. Specialised plans are available for those with severe PEDs, such as cardiac issues or type I diabetes, but the options are severely limited.

Balance affordability and coverage

Seniors should aim for optimal balance between coverage and affordability. "Opt for plans with shorter waiting periods for PEDs," says Bhandari. Now, by paying a higher premium, it is possible to reduce the waiting period for ailments like hypertension and diabetes to one day.

Also, favour plans that do not have sub-limits.

Co-payment is a cost-sharing arrangement where the insured pays a specified percentage of the bill, with the insurer covering the remainder. Previously, most senior citizens' plans came with co-pay, but that is no longer the case.

"Nowadays many plans for seniors do not have co-pay, or it can be reduced by paying a higher premium," says Singhal. Strike a balance between the premium you can afford and the level of co-pay.

Choose plans with the no-claim bonus feature, which allow the bonus to accumulate over successive years and help counter medical inflation. Compare both features and premiums online. "If the premium is very low, the plan could have limitations," says Singhal.

Buy an adequate sum insured. Singhal recommends at least a ₹10 lakh base plan per person combined with a top-up of ₹1 crore.

Managing costs

Over the past few years, modular policies have been introduced that allow customers to remove unnecessary features and lower premiums. Paying premiums quarterly or monthly, instead of annually, can make their burden more manageable (but be wary of missing a payment).

Given the high medical inflation and premium costs for seniors, continuously increasing the sum insured may not be feasible, so create a health corpus. "On average, save 50 per cent of your post-tax salary every working year and keep working till the age of at least 60, even if it is in a lower-stress role," says Avinash Luthria, a Sebi registered investment advisor (RIA) and founder, Fiduciaries.

KRANTI NATION

PRANJAL SHARMA

Shipping to shopping, AI is making food safe

Concerns about food safety rise periodically as more information about the impact of chemicals is revealed. Food is at risk of contamination, from the time of farming to processing, shipping, storage and delivery at retail.

In recent years, artificial intelligence (AI) has helped food producers respond to rising concerns about what consumers eat.

The United States Food and Drug Administration (USFDA) has been supporting the use of technology for safer consumption. "The ultimate goal is to have end-to-end traceability throughout the food system, with firms voluntarily adopting tracing technologies. Harmonising tracing activities to support interoperability is a priority, as is finding solutions that are achievable for companies of all sizes," says the FDA. "Under the New Era of Smarter Food Safety one of FDA's goals is to encourage stakeholders, including technology providers, public health advocates, entrepreneurs, and innovators from all disciplines to develop traceability hardware, software, or data analytics platforms that are low-cost or no-cost to the end user."

The FDA's approach has an impact not just for domestic producers in the US, but also for global companies that export to North America.

AI's application in food and beverage is a market worth $9.68 bn and it is expected to reach $48.99 bn by 2029

The food industry depends on bio-surveillance that uses AI-based sensors in farms to detect harmful chemicals in the soil. "Bio-surveillance is a systematic process to survey the environment or location of interest for bacteria, fungi, viruses, or other biological entities that might cause disease in people, animals, or plants in support of detection and identification efforts and corresponding public health or safety," according to the National Institute of Standards and Technology of the US government.

The Food Safety and Standards Authority of India is promoting the use of blockchain, AI and machine learning to ensure safety.

The global food industry is increasingly investing in emerging technologies after being challenged by regulators over the years. The market size of international food safety testing was worth $22.6 billion in 2023 and is expected to expand at a compound annual growth rate (CAGR) of 7.8 per cent between 2024 and 2030, according to Grand View Research, a business consulting firm. "A major factor propelling market growth is the rising prevalence of food-borne illnesses, enhanced consumer awareness regarding food safety, implementation of stringent food safety regulations, and rising consumer demand for convenience and packaged food items," says Grand View.

"AI has gained prominence over the last few years, with many companies actively investing in exploring the technology potential in the industry. This emerging AI technology is helping F&B (food and beverage) companies with supply chain management through logistics, predictive analytics, and transparency," says a separate report by Mordor Intelligence.

The Mordor report says that AI's application in the F&B industry is a market worth $9.68 billion now and it is expected to reach $48.99 billion by 2029, growing at a CAGR of 38.30 per cent.

AI feeds on the information generated by the internet of things (IoT) deployed across supply chains in the food industry. "IoT in food processing enables food companies to gain improved levels of traceability, food safety, and accountability across the whole supply chain. Moreover, organisations may monitor food safety data points by using real-time temperature tracking sensors, ensuring active cold chain management," says an assessment by Emergen Research.

Managing supply chains is critical for the food industry. From farms to processing to shipping and shopping, companies need to be alert and informed all the time. The challenge is in ensuring safety: Not just in their own products but also ingredients sourced from others. This implies that large food companies have to be integrated with their suppliers for monitoring quality and safety.

Industry and regulators will also need common technology standards for food safety.

AI inside: Tech eases work for IT firms

It simplifies and automates routine tasks and helps employees to focus on the big picture, reports **SHIVANI SHINDE**

When Satya Nadella, the chief executive officer of Microsoft, visited India early this year he spoke about how the country's information technology (IT) companies were driving artificial intelligence (AI) and customising it for their use.

Nadella said Infosys, HCLTech and LTIMindtree were among companies that had been the first movers in adopting Copilot, Microsoft's AI-based conversational chat interface, for customers and themselves.

Considering Indian IT companies are deploying AI and generative AI (GenAI) for hundreds and thousands of global enterprises, how they do it for themselves is of significance.

Mohammed Rafee Tarafdar, chief technology officer (CTO) of Infosys, said his company is leveraging AI to "reimagine work, workplace and workforce", with a focus on using the technology to amplify human potential.

"We have been continuously implementing and rolling out AI within key processes over the last 12 months. For example the generative AI-led learning processes in our learning platform Lex have been rolled out to all our employees and we are seeing active adoption. We have rolled out a knowledge assistant, InfyMe NAVI, for all (company) leaders to help drive productivity in the sales process," said Tarafdar.

Modernisation tool

Infosys is using AI assistants to help productivity in software engineering, modernisation and migration. Tarafdar said the impact of such assistants is evident. "Using assistants our developers have generated three million lines of meaningful code. With the usage of classical AI and GenAI, we have seen that some processes that used to take weeks can now be done in days."

Like their clients, Tata Consultancy Services (TCS), Wipro, IBM, LTIMindtree and other firms have adopted AI across processes such as human resource (HR) management, automating IT infrastructure, and even sales.

"Through our early work of applying foundation models, we found that the time-to-value is up to 70 per cent faster than a traditional AI approach. That's why we ourselves use the transformational power of generative AI by being the client zero for many of our products and services. Doing this helps us not only to test and validate what we create, but it also helps us build use cases that our clients can replicate and benefit from," said Geeta Gurnani, IBM Technology CTO & technical sales leader for India and South Asia.

IBM has deployed for its use a conversational AI-powered platform called AskHR that has helped 94 per cent of employee interactions happening without human intervention. The platform sits over about 79 different systems, 4,700 policy documents and supports 2,500 processes. It has helped the HR team focus on "value-creating tasks".

Gurnani said, "We use AI during performance evaluation, automating the tedious work of culling through data like past performance ratings, skills, whether employees are up to date on training, and their length of employment. For example, on average a manager takes about eight hours to gather the necessary data and fill in the relevant nomination forms for promotions. During a pilot in Q2 of 2022, approximately 1,800 managers part of our North American consulting team used HiRo (a digital tool) and they completed the data gathering and entry work in about one hour each, collectively saving about 12,000 hours in that quarter's promotions process."

AI can be used in a variety of functions: From HR management to sales and coding. Senior executives say companies must continuously train employees in the technology and keep them skilled

Sivaraman Ganesan, head of AI.Cloud unit at TCS, said that making employees understand GenAI was a big task. "One of the things we have been extremely busy over the last few quarters have been on skilling employees on GenAI capability but also getting them acquainted with the technology," he said.

Adopting GenAI means that various teams in the company work together and are trained. TCS has trained 300,000 employees in basic AI skills, said the company recently.

Bengaluru-based Wipro has several initiatives underway to apply GenAI to hundreds of internal scenarios in HR, sales, and marketing. Anup Purohit, chief information officer (CIO) at Wipro, said AI can speed up presales and enable company executives to focus on main sales by talking to customers and gaining understanding of their issues.

He said that Wipro is implementing an AI-powered talent marketplace which will enable its associates (employees) to strengthen skills and plan their career.

Productivity help

Wipro has deployed an AI-powered enterprise chatbot that handles business queries, automates tasks, provides information, and offers support to employees. "It is currently being used by employees across 53 countries to improve employee search experience, knowledge management, and boost productivity with proactive engagement notifications for critical activities like approvals and onboarding. It has significantly reduced the cost-to-serve by deflecting common employee interactions and resolutions to an Electronic Virtual Assistance, freeing up employee capacity and reducing navigations to legacy apps. About 85 per cent of HR-related queries will be handled by this chatbot," said Purohit. The chatbot typically responds to employees in 5 seconds and handles more than 14,000 queries daily with 95 per cent accuracy.

GenAI benefits not only individuals but also entire organisations, according to a Microsoft study last year. About 70 per cent of Copilot users said they were more productive and 68 per cent said it improves work quality.

The CIOs and CTOs Business Standard spoke to agree that the only way to be part of the shift to AI is training and up-skilling. Purohit, the Wipro executive, believes companies must invest in training employees in AI model training, ethical use, system integration and blending technical skills with critical thinking.

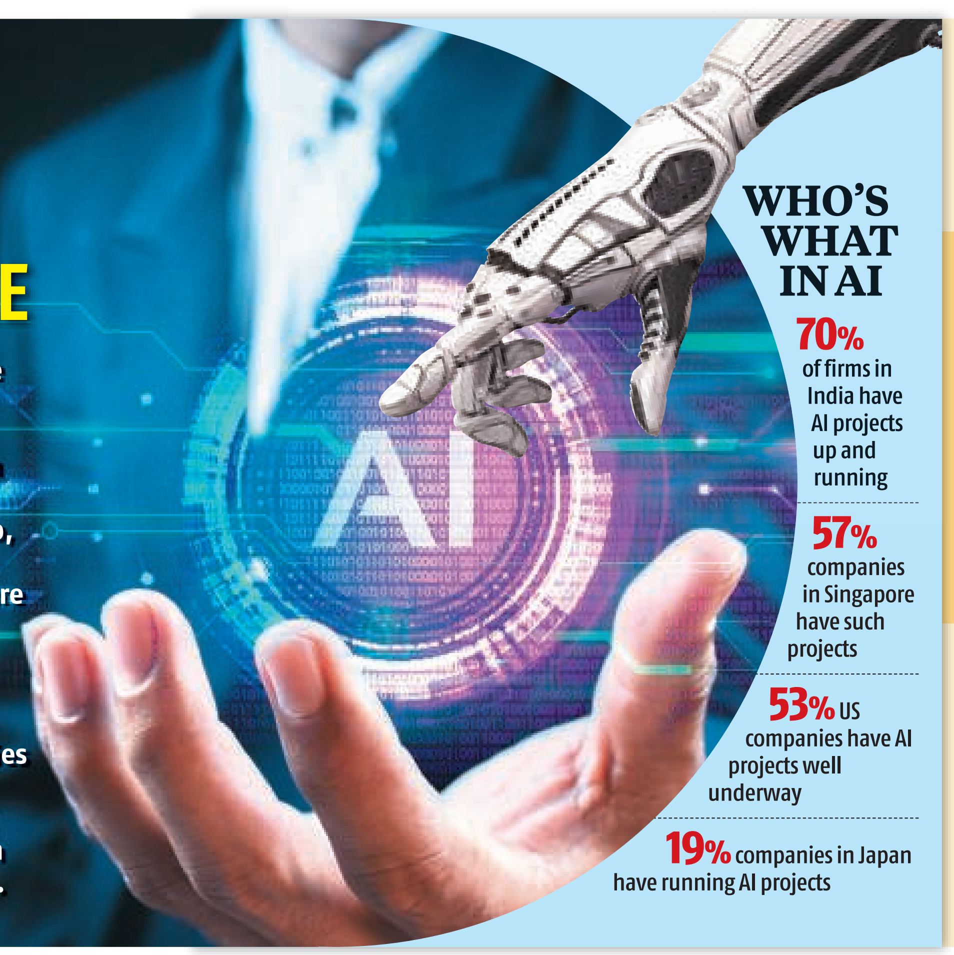
"We have a range of training programmes designed and deployed, including the GenAI101 training, with the intention to teach every employee the fundamentals of AI. Wipro has trained over 220,000 employees. Out of this, 195,000 have been trained in basic GenAI fundamentals, 18,000 on a foundational level, 4,000 on an associate level, and 2,200 on an advanced level," said Purohit.

LTIMindtree has developed an internal microsite called GARUDA that offers training material on various GenAI topics. Through Shoshin, an internal platform, the company is training more than 18,000 associates on the basics of GenAI.

ALGO RHYTHM

INDIA TAKES TOP RANK IN WORLD AI RACE

The rise of artificial intelligence (AI) has split the world into leaders and laggards. India, Singapore, the United Kingdom and the United States (US) are leaders, says a report by NetApp, a data infrastructure company. Spain, Australia and Germany are among laggards. In leading countries, 60 per cent of companies had AI projects "up and running". In countries trailing, 36 per cent of companies had such projects. The report, researched in partnership with Savanta, questioned more than 1,300 executives in 10 countries.



WHO'S WHAT IN AI

70% of firms in India have AI projects up and running

57% companies in Singapore have such projects

53% US companies have AI projects well underway

19% companies in Japan have running AI projects

Data for use

91% of Indian companies plan using their data to train AI models

62% of companies globally will do so

28% of Japanese companies will opt for that

Industries leading AI adoption

70% of technology firms are piloting AI projects

55% of banking & finance companies have such projects

50% of manufacturing firms are committed to AI

38% of health care firms are using AI in their work

25% in media, entertainment have taken up AI

Intelligent challenges

40% of large firms say AI projects have increased IT costs

53% of Indian firms likely to trim IT ops to help AI projects

56% of Singapore companies are likely to do so

Source: Second annual 'NetApp Cloud Complexity Report' *Compiled by Shivani Shinde*

To fund AI boom, tech plans plumbing upgrade

Microsoft, Meta and Google's parent Alphabet are going to spend billions on infrastructure

KAREN WEISE

If 2023 was the tech industry's year of the AI chatbot, 2024 is turning out to be the year of AI plumbing. Tens of billions of dollars are quickly being spent on behind-the-scenes technology for the industry's AI boom.

Companies from Amazon to Meta are revamping their data centres to support artificial intelligence. They are investing in huge new facilities, while even places like Saudi Arabia are racing to build supercomputers to handle AI. Nearly everyone with a foot in tech or giant piles of money, it seems, is jumping into a spending frenzy that could last for years.

Microsoft, Meta, and Google's parent company, Alphabet, disclosed this week that they had spent more than $32 billion combined on data centres and other capital expenses in just the first three months of the year. The companies all said in calls with investors that they had no plans to slow down their AI spending.

In the clearest sign of how AI has become a story about building a massive technology infrastructure, Meta said on Wednesday that it needed to spend billions more on the chips and data centres for AI than it had previously signaled.

"I think it makes sense to go for it, and we're going to," Mark Zuckerberg, Meta's chief executive, said in a call with investors.

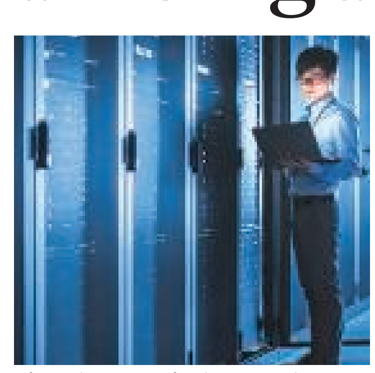
Nvidia, whose chip sales have more than tripled over the last year, is the most obvious AI winner.

The money being thrown at technology to support AI is also a reminder of spending patterns of the dot-com boom of the 1990s. For all of the excitement around web browsers and newfangled e-commerce websites, the companies making the real money were software giants like Microsoft and Oracle, the chipmaker Intel, and Cisco Systems, which made the gear that connected those new computer networks together.

But Cloud computing has added a new wrinkle: Since most startups and even big companies from other industries contract with Cloud computing providers to host their networks, the tech industry's biggest companies are spending big now to lure customers.

Google's capital expenditures – largely the money that goes into building and outfitting data centres – almost doubled in the first quarter. Microsoft's were up 22 percent. Amazon, which will report earnings on Tuesday, is expected to add to that growth.

Meta's investors were unhappy with Zuckerberg, sending his company's share price down more than 16 percent after the call. But Zuckerberg, who just a few years ago was pilloried by shareholders for a planned spending spree on augmented and virtual reality, was unapologetic about the money that his company is throwing at AI. He urged patience.



Big tech companies have no plans to slow down AI spending

"Our optimism and ambitions have just grown quite a bit," he said.

Investors had no problem stomaching Microsoft's spending. Microsoft is the only major tech company to report financial details of its generative AI business, which it said had contributed to more than a fifth of the growth of its Cloud computing business. That amounted to $1 billion in three months, analysts estimated.

Microsoft said its generative AI business could have been even bigger — if the company had enough data centre supply to meet the demand, underscoring the need to keep on building.

The AI investments are creating a halo for Microsoft's core Cloud computing offering, Azure, helping it draw new customers. "Azure has become a port of call for pretty much anybody who is doing any AI project," Satya Nadella, Microsoft's chief executive, said on Thursday.

Google said sales from its Cloud division were up 28 percent, including "an increasing contribution from A.I."

In a letter to shareholders this month, Andy Jassy, Amazon's chief executive, said that much attention had been paid to AI applications, like ChatGPT, but that the opportunity for more technical efforts, around infrastructure and data, was "gigantic."

RIGHT TO A FUTURE

The apex court has made an 'observation' on the right to be free from the adverse effects of climate change. Can this pave the way to a cleaner future?

BHAVINI MISHRA & SHREYA JAI
New Delhi, 28 April

What would it mean to have a legislation on climate change? A law that gives citizens the right to demand clean air and water, sustainable development, and balanced ecology. A legal tool to empower the citizens to ask for a less-carbon future. A legal subsection that can better the life of species, in addition to humans.

A recent observation by the Supreme Court in a case that argued the pros of solar power plants against the rights of an endangered bird in Rajasthan seeks to raise similar questions. In the case of M K Ranjitsinh & Ors v Union of India, it is the first instance where the Supreme Court has mentioned the "right to be free from the adverse effects of climate change." The Court ruled in favour of the solar industry.

Rights and wrongs

This has started a debate among the factions of law, legislature and environment protection. A right to climate change under the country's Constitution was not recognised by the founding fathers, but they did stipulate the "right to life" under Article 21. Citing the same section, the SC said: "As the havoc caused by climate change increases year by year, it becomes necessary to articulate this as a distinct right."

The articulation of a fundamental right in the context of climate change — sourced from both the right to equality in Article 14 and right to life in Article 21 — is extremely significant.

"It is likely to be considered a strong precedent for future litigation where climate change issues are raised. The Court has worded the right quite broadly and it can be invoked in a variety of cases, whether those raising concerns relating to adaptation to climate impacts or making demands for mitigating causes contributing to climate change," says Shibani Ghosh, an environment lawyer and researcher.

Ghosh says this not only sends a strong signal by the Court but also places the High Courts and the National Green Tribunal on much stronger footing to exercise their jurisdiction and adjudicate climate claims. While identifying a climate right, the judgment also identifies the Indian State as being responsible for mitigating green house gases emissions, adapting to climate impacts and protecting the fundamental rights of individuals.

The idea of making the state responsible for climate claims is not new and has gathered pace in the last decade, with several countries drafting legislation on it. A study by the Grantham Research Institute on Climate Change and Environment in 2021 said there were 167 countries with close to 1,200 climate laws in place. Though most of them pertain to issues related to climate action, such as emission control, it does indicate a growing trend of legally binding climate targets. The United Kingdom, for instance, has a legally binding target for reducing carbon emissions.

For the first time now, India has initiated an informed discussion on having similar legislation. Under its National Action Plan on Climate Change (NAPCC), India has eight missions, each with its own target. In its last submission to the UNFCC, India has committed to become a net zero economy by 2070 and have 50 per cent of its energy requirement met through green sources. Neither the net zero target nor any other mission is a law.

Only 18 countries across the globe have a detailed plan on meeting their net zero targets, according to Net Zero Tracker. India in its last submission in 2022 outlined a 120-page plan to reduce carbon emission, promote green energy, and realise its sustainable development goal. Most of the country's global commentary largely revolves around its low carbon growth and attacking the developed world for being historical polluters. India is also a strong votary of the 'polluter pays' principle.

Duty, rights, politics

But none of these intentions reflect in the plan of the two national parties. In their respective manifestos, neither the Bharatiya Janata Party nor the Congress Party committed to any numerical targets on environment and climate, and there is no mention of any law or rule on climate action.

The BJP's Sankalp Patra has a chapter that says, if elected the party "will use both traditional wisdom as well as modern practices to contribute to a healthier planet." The plan mentioned is more or less similar to India's current climate action plan. It includes the net zero target, river revitalisation, air quality improvement, afforestation, and protecting various ecologies — from the Himalayas to the coastal regions. The manifesto also mentions the schemes launched in the second term of the BJP government: PM Surya Ghar Yojana, Railway Electrification, PM e-Bus, promotion of EVs, Ethanol and Bio-fuel promotion, and Green Credit Programme.

There is no mention of the rights of the individual, but it does highlight the "LiFE Mission" launched in 2022. The Mission aims at fostering "sustainable life choices among Indian citizens." The language of the mission makes it fall more under the "duty" part of the Constitution, than "rights", says an environmentalist.

The Congress, under whose regime India drafted its first NAPCC, in its Nyay Patra talks about climate funding through a "green transition fund", with states and the private sector, and a separate adaptation fund as well. "We will launch a Green New Deal Investment Programme focused on renewable energy, sustainable infrastructure and the creation of green jobs," it says. There is no mention of any duty or right.

There has hardly been any precedent in the country where a lawmaker has proposed to have a legal legislative structure to climate action. In 2021, BJP MP Jayant Sinha had moved a private bill proposing a Climate Change (Net Zero Carbon) law.

"I have submitted a Private Members Bill in Parliament to make this a legally binding commitment — we will surely attract massive investments around the world if we take this approach," Sinha had posted on his social media handles.

But experts say India's apex court arguing for defending the rights of an individual against the effects of climate change might pave the road towards legislation.

"The right to be free from the adverse effects of climate change is much broader than the right to clean air or health, which is also a part of the right to life. Being a fundamental right, this right can be enforced against the State. You could of course file a case of nuisance against your neighbour but not a writ. On a serious note, relying on this right, one could file a PIL against the government for not implementing, say, sustainable development goals adequately," says Shruti Kanodia, Managing Partner, Sagus Legal.

Ghosh shares this view. "In future cases, presumably the government department that did not take the necessary or adequate steps to prevent or mitigate the adverse effects of climate change could be held liable. And, depending on the fact situation, this liability could extend to private entities as well," she says.

Right or not, the Indian citizen has found a legal precedence to raise a Greta Thunberg's "How dare you" question before its local and national leaders.

WHAT THE SC SAID

- Despite governmental policy and rules and regulations recognising the adverse effects of climate change and seeking to combat it, there is no single or umbrella legislation in India which relates to climate change and the attendant concerns. However, this does not mean that the people of India do not have a right against the adverse effects of climate change
- Article 14 and 21 are important sources of the right to a clean environment and the right against the adverse effects of climate change
- The right to a healthy environment encapsulates the principle that every individual has the entitlement to live in an environment that is clean, safe, and conducive to their well-being
- As the havoc caused by climate change increases year by year, it becomes necessary to articulate the right against the adverse effects of climate change as a distinct right

How to make insolvency law solvent

The IBC has served the purpose by creating the fear of god among rogue promoters. It's time to plug the loopholes in the law and make the defaulters understand that the IBC isn't just all bark and no bite

BANKER'S TRUST

TAMAL BANDYOPADHYAY

"O Government, that madest this hugely useful insolvency law, when will it be ready to clear our case fast? How long, O Supreme Court, how long?"

It won't be a surprise if the Vedanta group says this, rephrasing a sentence from George Bernard Shaw's play, *Saint Joan*. The provocation for this prayer? The inordinate delay in the insolvency proceedings.

The insolvency proceedings against Venugopal Dhoot's Videocon group kicked off in August 2019 when the National Company Law Tribunal (NCLT) allowed for the consolidation of the corporate debtors.

In October 2019, an expression of interest (EoI) was invited from prospective bidders. A month later, Vedanta Ltd submitted its EoI and, a year later, in November 2020, a Vedanta group company, Twin Star Technologies Ltd (TSTL), submitted the final resolution plan. It was a ₹2,962 crore bid, including non-convertible debentures.

In December 2020, TSTL was identified as the successful bidder; the committee of creditors approved the resolution plan with 95.09 per cent favouring it. The NCLT gave its okay in June 2021, but the National Company Law Appellate Tribunal (NCLAT) reversed the NCLT judgment in January 2022. TSTL immediately moved the Supreme Court with its appeal. Over two years later, nothing has happened.

The last we heard about this case was in April 2023 when TSTL urged the Supreme Court to dismiss an appeal filed by former Videocon Industries Ltd Chairman Venugopal Dhoot against its bankruptcy court-approved bid to acquire Videocon along with its 12 group companies. Dhoot had challenged the TSTL bid in the apex court and sought a direction to banks to accept his ₹31,789 crore resolution plan. Going by TSTL's argument, Dhoot had always tried to "disrupt and derail" the insolvency proceedings through "vexatious and frivolous" legal proceedings.

This is not a unique case. There have been many such instances. They illustrate what ails the insolvency process in India.

The Insolvency and Bankruptcy Code (IBC) made its appearance in August 2016. The single-window insolvency and bankruptcy resolution process was expected to minimise the cost and time for the liquidation and resolution of bad assets that saddled the banking system.

It was indeed a new beginning. Till that time, the bankruptcy turf was fragmented with a plethora of legislations and multiple platforms such as the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, Debt Recovery Tribunals, Lok Adalat, the Reserve Bank of India's (RBI's) scheme for corporate debt restructuring besides the Sick Industrial Companies Act.

Under the new law, in September 2016, ICICI Bank Ltd filed the first case against a steel products maker, which had ₹955 crore debt. By June 2017, the RBI listed 12 defaulters against whom it had wanted immediate bankruptcy proceedings to be invoked. This was followed up by another list of 28 defaulters in August 2017. Together, the two sets accounted for around 50 per cent of the ₹10 trillion bad debt in the Indian banking system then.

In the initial days, the going was great. But over the last few years, the process has slowed dramatically. Woefully inadequate infrastructure is just one of the many reasons why the time taken for settling cases is increasing and the value of recovery is dropping.

Let's first look at the process. Once a defaulter is identified, a committee of creditors (CoC) appoints one resolution professional (RP) to supervise the case. In the next stage, the information memorandum is prepared and an EoI is sought from prospective bidders. After assessing the eligibility of the bidders, evaluating the bids and choosing the most suitable resolution plan, the CoC goes to NCLT for its approval.

Although the CoC gives priority to the interest of lenders over operational creditors (OCs), such as suppliers of capital goods, raw materials and consumables, original equipment manufacturers, maintenance vendors and others, the OCs too recover money. Section 20 of IBC requires the RPs to make every endeavour to protect and preserve the value of the assets and manage the operations of the debtors as a going concern. It also allows the RPs to raise interim finance during the insolvency process. Such financiers are paid on a priority basis once the resolution is in place.

A November 2023 report of rater CRISIL Ltd pointed out that the recovery rates (as a percentage of admitted claims) have fallen from 43 per cent to 32 per cent between March 2019 and September 2023 even as the average resolution time has more than doubled, from 324 to 653 days. Realisation by financial creditors, as a percentage of liquidation value, has also dropped from 194 per cent to 168.5 per cent during this period.

The timeline for the completion of the resolution at the IBC is 270 days. Of course, it can be extended, subject to certain conditions.

In February 2024, the 67th report of the Standing Committee on Finance called for a review of the IBC's design. It talked about instances of frivolous appeals and the time taken by many cases for admission to NCLT. The committee has found that the actual recoveries on the ground are roughly between 25 and 30 per cent, and some cases take as long as two years for resolution, far beyond the timeframe envisaged. Since the IBC's inception, 6,815 cases have been admitted to the NCLT, and 2,827 of these cases, that's 41 per cent, are still undergoing the resolution process. The average resolution time has been rising and is now at a three-year high.

Till December 2023, of the 6,815 cases, 891 had been resolved (against financial creditors' claims of ₹9.09 trillion, the realisation is ₹3.1 trillion); 2,376 ended in liquidation (1,789 received no resolution plans and 587 got at best a couple of plans); and 721 in voluntary liquidation.

An expert panel set up by bankruptcy rule maker, the Insolvency and Bankruptcy Board of India (IBBI), has recommended voluntary mediation as a way of settling disputes that arise when creditors take over sinking businesses. Headed by former law secretary TK Viswanathan, the panel, in its 129-page report submitted in January, has suggested that mediation could be a complementary mechanism for settling disputes relating to bankruptcy resolution.

Mediation is the use of a neutral third party to facilitate the negotiated settlement of a dispute and resolve conflicts between two or more parties. In consonance with the Mediation Act, 2023, the committee has recommended a "voluntary" mediation framework under the IBC. Many developed markets have been following this.

Meanwhile, the fifth report of the Insolvency Law Committee (reconstituted in March 2019 as a standing committee), submitted in May 2022, has also been pending. It has made quite a few interesting recommendations to improve the efficiency of the resolution and liquidation process in a time-bound manner and maximise the value of the assets.

Another committee in January 2021 recommended pre-packaged insolvency or "pre-pack" – a kind of bankruptcy procedure where a restructuring plan is agreed upon in advance before a company declares its insolvency. In the US, pre-packs are often used in a Chapter-11 filing. Currently, the pre-pack mechanism is being restricted to the micro, small and medium enterprises (MSME) sector alone.

Yet another key proposal under a discussion paper, released by the Ministry of Corporate Affairs in January 2023, is to allow project wise insolvency resolution processes for real estate firms.

It seems that once the new government is in place, all these recommendations will be taken up in Parliament in July. Along with the introduction of pre-pack (beyond the MSME sector), we may see the government redefining and strengthening the out-of-court processes for bankruptcy resolution, before introducing newer rules such as cross-border insolvency norms. At the moment, making the processes more efficient and robust and reducing the involvement of courts to the extent possible is on the government's priority list.

To a large extent, the IBC has served the purpose by creating the fear of god among rogue promoters. The lenders have been using it as a threat, forcing many loan defaulters to come to the discussion table. However, over a period of time, smart promoters have learnt how to use the law to stymie the process. It's time to plug the loopholes in the law and make the defaulters understand that the IBC isn't just all bark and no bite.

The writer is an author and senior advisor to Jana Small Finance Bank Ltd
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STATSGURU

Record run for electric cars

ANOUSHKA SAWHNEY

Nearly 20 per cent of cars sold globally in 2024 will be electric. Worldwide sales of electric cars will reach 17 million in 2024, according to the Global EV Outlook 2024 report released by the Paris-based International Energy Agency (IEA) last week. Growth, however, has slowed *(chart 1)*.

A roll-back of subsidies globally is said to be a factor. Government encouragement has helped adoption in multiple markets. China, Germany, and the US all saw adoption rise from low single-digits in 2018 to as high as 38 per cent in 2023. India has seen more limited success *(chart 2)*.

International commentators have pointed out that electric vehicles in India have come through the cheapest vehicles first, unlike developed markets where the adoption first came through expensive cars, including Tesla. Two-wheelers and three-wheelers account for more than 90 per cent of the electric vehicle market in India, according to data collated by the Centre for Monitoring Indian Economy.

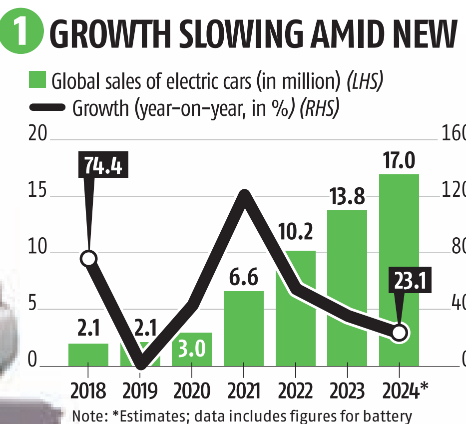
The value-conscious nature of the Indian consumer is playing a role. The cost of ownership over the lifetime of the vehicle is significantly lower for electric two-wheelers and three-wheelers.

This does not hold for passenger cars, though the gap is expected to become more favourable by 2030 *(charts 3,4)*. India has also pulled back on subsidies granted under the government's Faster Adoption and Manufacturing of (Hybrid and) Electric Vehicles in India (FAME India) scheme.

Electric vehicle adoption will also have implications for India's energy mix. Around 6 per cent of India's electricity consumption will involve electric vehicles by 2035. Numbers are higher for the US, China and Europe. A similar scenario will play out for oil displacement.

India will save around 300,000 barrels per day, while it will be over ten times that in China and the US *(chart 5,6)*.

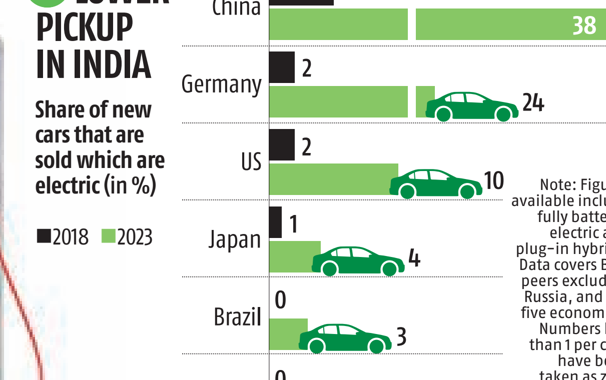
1 GROWTH SLOWING AMID NEW HIGHS



Note: *Estimates; data includes figures for battery electric vehicles (BEVs), plug-in hybrid electric vehicles (PHEVs) and fuel cell electric vehicles (FCEVs) Source: IEA

2 LOWER PICKUP IN INDIA

Share of new cars that are sold which are electric (in %)

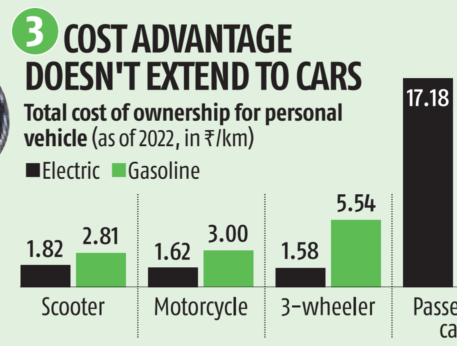


Note: Figures available include fully battery-electric and plug-in hybrids. Data covers BRIC peers excluding Russia, and top five economies. Numbers less than 1 per cent have been taken as zero

Source: Our World in Data (IEA)

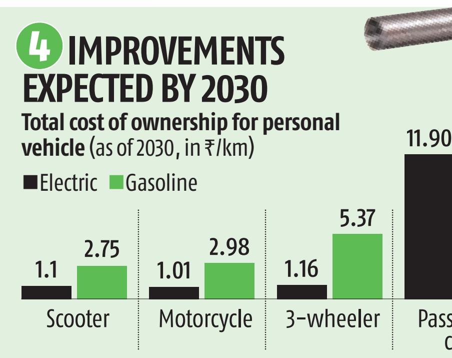
3 COST ADVANTAGE DOESN'T EXTEND TO CARS

Total cost of ownership for personal vehicle (as of 2022, in ₹/km)



4 IMPROVEMENTS EXPECTED BY 2030

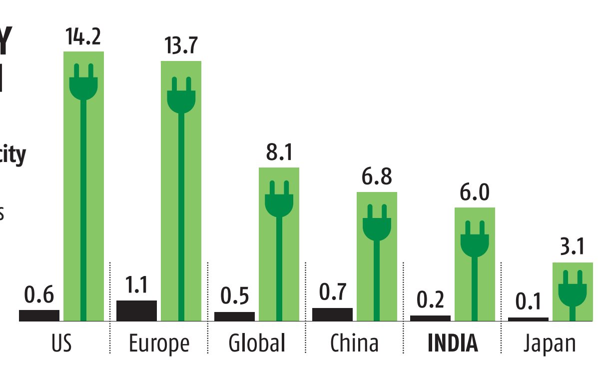
Total cost of ownership for personal vehicle (as of 2030, in ₹/km)



Note: Two-wheelers are assumed to have a lifetime of ten years and yearly running of about 12,000 kilometres (kms). Three-wheelers are assumed to have a lifetime of ten years and annual running is assumed to be 32,000 kms. Cars are assumed to have a lifetime of ten years and yearly running of about 12,000 kms Source: IEA, Niti Aayog (Transitioning India's Road Transport Sector)

5 ELECTRICITY CONSUMPTION TO RISE

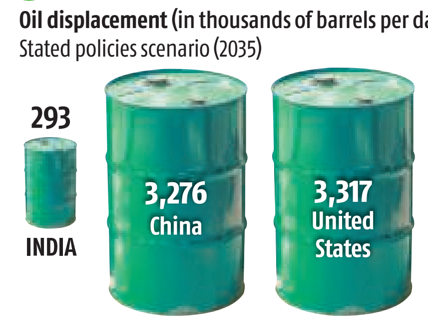
Share of EVs in electricity consumption (in %)



Note: The Stated Policies Scenario (STEPS) takes into account existing policies and those under development Source: IEA

6 LOWER OIL DISPLACEMENT FOR INDIA

Oil displacement (in thousands of barrels per day)
Stated policies scenario (2035)



Note: The Stated Policies Scenario (STEPS) takes into account existing policies and those under development. Data for buses, cars, trucks and vans. Oil displacement is based on internal combustion engine (ICE) vehicle fuel consumption to cover the same mileage as the EV fleet

Source: IEA, *Business Standard* calculations

StatsGuru is a weekly feature. Every Monday, *Business Standard* guides you through the numbers you need to know to make sense of the headlines

Adani, Tata eye bigger pie in Mumbai power distribution

Battle for high-value customers heats up amid increased EV penetration

AMRITHA PILLAY
Mumbai, 28 April

As Mumbai's real estate and electric vehicle penetration grows, two of the city's private power distribution companies, Adani Electricity and Tata Power, are eyeing a bigger business pie, particularly betting on high-value customers.

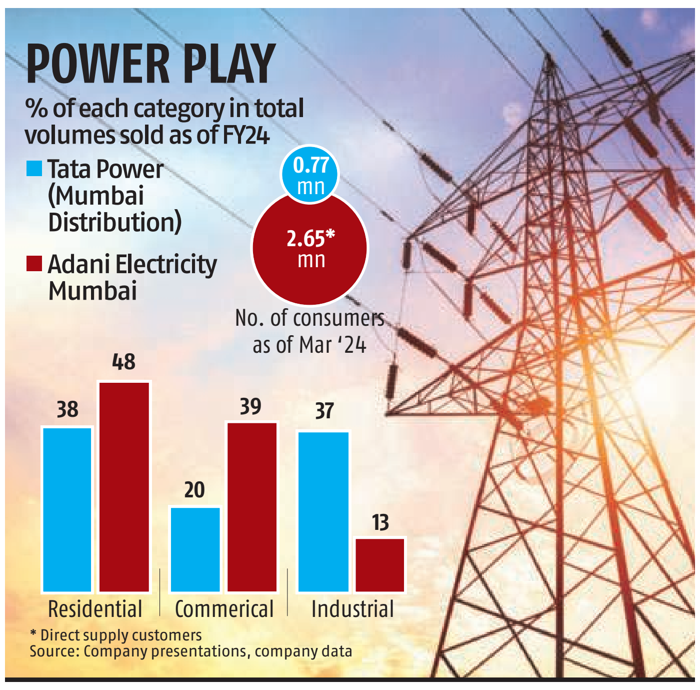
Adani Electricity Mumbai (AEML), the subsidiary which houses Adani Energy Solutions' Mumbai distribution business, recorded a six per cent growth in total units sold in the financial year 2023-24 (FY24), the company's presentation shows. This gain came at over 13 per cent growth in the year-ago period. Rating agency Fitch attributed this growth to strong commercial and industrial demand.

Tata Power, the other private power distributor in Mumbai, in a response to Business Standard's query last week said, "With the addition of new direct consumers, we have seen a growth of ₹20 per cent in our direct customer's segment." The company added that with the number of direct customers increasing, electricity demand too has surged by over 40 per cent during the last three years.

Gautam Adani-promoted Adani Energy Solutions entered the Mumbai distribution business in 2018 through the purchase of assets from Anil Ambani-promoted Reliance Infrastructure. Tata Power has been an existing competitor since November 2009.

In the last five years, Adani Electricity Mumbai has grown its consumer base by 29 per cent, while Tata Power's base, in the same period, grew by eight per cent. *(See chart)*

The city has also been rapidly growing post-pandemic in terms of new infrastructure and realty construction. The battle between the two companies for high-tension (HT) customers in the public services category is also heating up.



According to people in the know, one of the city's main infrastructure projects – the Metro 2A line has explored a transfer of connection from Tata Power to Adani Electricity. Tata Power, in its response, however, said no connections related to the Metro-2A line and the Monorail have moved out from its network.

A Maharashtra Electricity Regulatory Commission (MERC) order in March this year highlighted a Tata Power submission which said, "a negative CAGR has been observed in HT VI(B) - Public Services category where a significant number of sales have switched over to other Distribution Licensee(s)."

However, in a response to Business Standard, Tata Power said, "In the last financial year, no Tata Power consumer migrated to any other distribution utility under HT Public services category due to competitive tariff and better Value-Added Services (VAS) like green power supply, and EV charging facilities."

"Across all segments, Tata Power has acquired more customers in this category by providing the best open-access solutions, and VAS to its customers. It is worth mentioning that our consumers have enjoyed the benefit of competitive tariff, along with better quality of services," the response said.

Since 2019, the city's international airport has been among the public service category customers that have moved to Adani Electricity from Tata Power. Some bus depots of the city's wide BEST bus network were already part of Adani's Mumbai portfolio, which is now witnessing electric-vehicle charging growth in the same category.

Construction activity in the city has been on the rise – both for infrastructure and residential projects, which industry executives noted will add to both volumes and customers for distribution companies in the coming years. The expected growth makes analysts bullish on the distribution business for both entities.

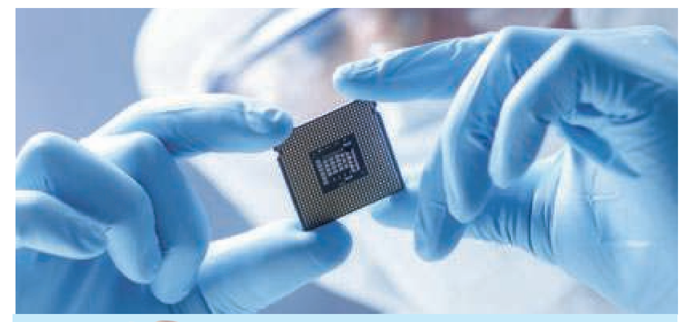
"The company has a well-planned strategy to shift towards clean energy and targets a 2x rise in its profit after tax (PAT) (before minority) by FY27E over FY23. We believe growth would be largely driven by distribution and renewable energy business," analysts at brokerage firm Sharekhan said in a February note on Tata Power.

"Adani's assets are those privatised to Reliance Infra and had the lion's share of the city's business," said an industry executive, adding, "Which also means the company will capitalise growth in similar proportion." An email query sent to Adani Energy Solutions remained unanswered.

In a March 12 note on Adani Energy Solutions, analysts with brokerage firm Ventura noted, "The growth in the population, along with their enhanced use of white goods, mobile phones, and electronic devices, coupled with an increase in industrial production, has boosted both the number of household connections and power consumption in Mumbai. This trend of growth for AEML is expected to continue in the upcoming years," the note added.

'Taiwan keen to help India become leader in chip space'

SHREYA NANDI
New Delhi, 28 April



Taiwan is keen to collaborate with India and help it become a leader in the semiconductor space, Jason Ho, chairman of the Taiwan Chamber of Commerce in India, said, asserting that the Taiwanese companies have the supply chain for things that the Indian market needs.

Manufacturing semiconductors — used in electric and hybrid cars, drones, and communication devices — is fairly complicated, entails huge investment, and can be a cumbersome process. Since Taiwan has already established itself as one of the key global chipmakers, collaboration with India in this space can be a win-win for both sides.

"India has strengths such as designing capability and market demand. We have sufficient capacity that can be allocated to India since Taiwanese companies have the supply chain for things that the Indian market needs," Ho told *Business Standard*.

"INDIA HAS STRENGTHS SUCH AS DESIGNING CAPABILITY AND MARKET DEMAND. WE HAVE SUFFICIENT CAPACITY THAT CAN BE ALLOCATED TO INDIA SINCE TAIWANESE COMPANIES HAVE THE SUPPLY CHAIN FOR THINGS THAT THE INDIAN MARKET NEEDS"

JASON HO
Chairman of the Taiwan Chamber of Commerce in India

Taiwan already has enough capacity for 28 nanometer (nm) chips, which is also India's focus area to cater to the needs of the telecom and automobile sectors. "In the future, India need not invest money in this space. While I agree with the Modi government's 'Make in India' programme, in a high-tech industry like semiconductor, it may not work, and the focus should be on collaboration," he said.

Some Taiwanese companies are relocating their manufacturing base to India in a bid to diversify supply chains, amid growing tensions with China.

In the last year, foreign direct investment inflow from Taiwan has increased and the number of companies investing has grown to 290 from 150. They have made investments, primarily in the electronics, information and communication technology, petrochemicals, steel, shipping, footwear manufacturing, automotive and motorcycle components, finance, and construction industries.

Collaboration of small and medium enterprises is another focal area. Both sides have strengthened cooperation in important areas of policy sharing, technological assistance, innovation, entrepreneurship and business incubation, market development, as well as capacity and capability building.

Trade

The bilateral trade in 2023 amounted to approximately $8.224 billion, down 2.78 per cent during the same period a year ago.

No free trade agreement (FTA) currently exists between the two countries, although some discussions were held a few years ago but without much progress. "We need more investment between countries and a free trade agreement can also push that," Ho said.

India is the 16th largest trading partner of Taiwan. Taiwan's exports to India reached $6.013 billion in 2023, marking a 13 per cent growth, and positioning India as the 12th largest export market for Taiwan.

On the import side, Taiwan imported goods worth $2.211 billion from India, a decrease of 29.62 per cent from 2022. India stands as the 25th largest import source for Taiwan.

No cancer-causing agents in our products: MDH on quality claims

AKSHARA SRIVASTAVA
New Delhi, 28 April

MDH Spices has denied allegations that its products have traces of cancer-causing agent ethylene oxide (ETO), calling them "untrue" and "lacking any substantiating evidence."

"Amid speculations doing rounds that there is presence of ETO in our products, we clarify and state unequivocally that these claims are untrue and lack any substantiating evidence," a statement released by the company said.

This statement came days after the Centre for Food Safety (CFS) in Hong Kong flagged the presence of ETO in samples of prepackaged spice mix products of MDH and Everest Spices.

ETO is a chemical used to preserve spices for longer periods and is also used in pesticides. Its consumption beyond permissible limits can be carcinogenic.

The CFS, in a release dated April 5, 2024, had further suspended sales of the affected products in the country. These included the Madras curry powder, sambhar masala mixed masala powder, curry powder mixed masala powder by MDH and the fish curry masala by Everest.

However, denying these claims, MDH further stated, "Additionally, MDH has not received any communication from the regulatory authorities of Singapore or Hong Kong. Our statement is further supported by the fact that nodal regulatory authorities such as the Spice Board of India and FSSAI have not received any communication or test reports from Hong Kong or Singapore authorities regarding this matter."

"WE REASSURE OUR BUYERS AND CONSUMERS THAT WE DO NOT USE ETHYLENE OXIDE AT ANY STAGE OF STORING, PROCESSING, OR PACKING OUR SPICES"
MDH IN A STATEMENT

"We reassure our buyers and consumers that we do not use ETO at any stage of storing, processing, or packing our spices. We abide by health and safety standards, both domestically and internationally. The MDH tagline, 'Asli Masale Sach Sach, MDH MDH,' and 'Real Spices of India,' reflect the company's genuine commitment to provide authentic, high-quality spices to their customers," it added.

Following the CFS notification, the Singapore Food Agency (SFA) on April 18, too, had issued a notification to recall the Everest fish curry masala after finding traces of ETO in it.

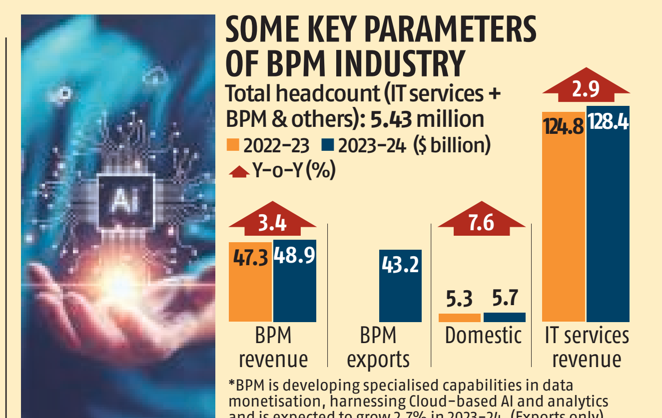
Following these reports, Indian food regulator FSSAI — on April 25 — had commissioned nationwide quality checks on MDH and Everest products.

RAPID ADOPTION: BPM on cusp of revolution amid GenAI use

India's business process management (BPM) industry is on the cusp of revolutionising with the use of generative artificial intelligence (AI).

K Krithivasan, chief executive officer and managing director of Tata Consultancy Services, the country's largest and globally second-largest information technology (IT) services company, said that there would be a 'minimal' requirement for call centres due to the rapid adoption of AI.

"In an ideal scenario, if you ask me, there should be very few inbound call centres handling incoming calls at all. We are at a point where technology should be able to predict incoming calls and proactively address customer concerns," said Krithivasan in an interview with the *Financial Times*.



Meanwhile, the BPM industry has been growing faster than the IT services sector, which has been impacted by macroeconomic uncertainties.

While India is one of the largest players in the call centre business, many companies have shifted away from low-end voice-based services.

A sizeable portion of voice work has also moved to geographies like the Philippines.

SHIVANI SHINDE