

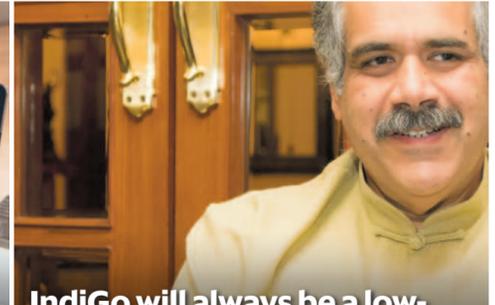
Tuesday, August 6, 2024

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Fear stalks the Street again, volatility hits a 9-year high ▶ P1



IndiGo will always be a low-cost carrier: Rahul Bhatia ▶ P6

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(Please scan this QR code to view the Red Herring Prospectus)

BRAINBEES SOLUTIONS LIMITED

Our Company was incorporated on May 17, 2010 as a private limited company under the Companies Act 1956, with the name "Brainbees Solutions Private Limited" at Pune, Maharashtra, India pursuant to a certificate of incorporation issued by the Registrar of Companies, Maharashtra at Pune (the "RoC"). Upon the conversion of our Company to a public limited company pursuant to a resolution passed by our Board on August 31, 2023 and a special resolution passed by our Shareholders at the extra-ordinary general meeting on September 5, 2023, the name of our Company was changed to "Brainbees Solutions Limited". A fresh certificate of incorporation dated November 2, 2023 was issued by the RoC consequent to our Company's conversion into a public limited company. For details of changes in the registered office of our Company, see "History and Certain Corporate Matters – Changes in the registered office" on page 311 of the Red Herring Prospectus dated July 30, 2024 and to be read with the Corrigendum to the RHP dated July 31, 2024, ("RHP" or "Red Herring Prospectus") filed with the RoC.

Corporate Identity Number: U51100PN2010PLC136340
Registered and Corporate Office: Rajashree Business Park, Survey No. 338, Next to Sohrahb Hall, Tadiwala Road, Pune - 411 001, Maharashtra, India; Tel: (+91) 84829 89157
Contact Person: Neelam Jethani, Company Secretary and Compliance Officer; E-mail: companysecretary@firstcry.com; Website: www.firstcry.com

OUR COMPANY DOES NOT HAVE AN IDENTIFIABLE PROMOTER

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹2 EACH (THE "EQUITY SHARES") OF BRAINBEES SOLUTIONS LIMITED ("COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE (THE "OFFER PRICE") AGGREGATING TO ₹[●] MILLION (THE "OFFER") COMPRISING A FRESH ISSUE OF [●] EQUITY SHARES OF FACE VALUE ₹2 EACH AGGREGATING UP TO ₹16,660.00 MILLION (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 54,359,733 EQUITY SHARES OF FACE VALUE ₹2 EACH AGGREGATING TO ₹[●] MILLION (THE "OFFER FOR SALE").

THE OFFER INCLUDES A RESERVATION OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹2 EACH, AGGREGATING UP TO ₹30.00 MILLION (CONSTITUTING UP TO [●] % OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL, FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES ("EMPLOYEE RESERVATION PORTION"). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER SHALL CONSTITUTE [●] % AND [●] % OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

DETAILS OF THE 10 LARGEST SELLING SHAREHOLDERS, OFFER FOR SALE AND THE WEIGHTED AVERAGE COST OF ACQUISITION

Name of Selling Shareholder	Type	Number of equity shares offered	Weighted average cost of acquisition per Equity Share ⁽ⁱ⁾ (in ₹)	Name of Selling Shareholder	Type	Number of equity shares offered	Weighted average cost of acquisition per Equity Share ⁽ⁱ⁾ (in ₹)
SVF Frog (Cayman) Ltd	Corporate Selling Shareholder	20,318,050	154.40	Apricot Investments Limited	Corporate Selling Shareholder	2,523,280	280.87
Mahindra & Mahindra Limited	Corporate Selling Shareholder	2,806,174	77.96	Satyadhama Investments and Trading Company Private Limited	Corporate Selling Shareholder	197,777	196.38
PI Opportunities Fund- 1	Corporate Selling Shareholder	8,601,292	280.87	Schroders Capital Private Equity Asia Mauritius II Limited	Corporate Selling Shareholder	3,802,210	145.26
TPG Growth V SF Markets Pte. Ltd.	Corporate Selling Shareholder	3,899,525	280.87	Sage Investment Trust	Corporate Selling Shareholder	52,516	280.87
NewQuest Asia Investments III Limited	Corporate Selling Shareholder	4,141,043	133.69	Pratithi Investment Trust	Corporate Selling Shareholder	224,712	312.48

⁽ⁱ⁾As certified by Bansal & Co LLP, Chartered Accountants, bearing firm registration number 001113/N/N500079, by way of their certificate dated July 30, 2024. For a complete list of all Selling Shareholders and their weighted average cost of acquisition per Equity Share on a fully diluted basis, see "Summary of the Offer Document – Weighted average cost of acquisition of equity shares by the Selling Shareholders" on page 81 of the RHP.

We sell Mothers', Babies' and Kids' products through our online platform in India, United Arab Emirates and Kingdom of Saudi Arabia, and also through company-owned stores, franchisee-owned stores and general trade retail distribution in India.

The Offer is being made through the Book Building Process in accordance with Regulation 6(2) of the SEBI ICDR Regulations
QIB Portion: Not less than 75% of the Net Offer | Non-Institutional Portion: Not more than 15% of the Net Offer | Retail Portion: Not more than 10% of the Net Offer
Employee Reservation Portion: Up to [●] Equity Shares aggregating up to ₹ 30.00 Million

PRICE BAND: ₹ 440 TO ₹ 465 PER EQUITY SHARE OF FACE VALUE OF ₹2 EACH.

THE FLOOR PRICE AND THE CAP PRICE ARE 220 TIMES AND 232.50 TIMES THE FACE VALUE OF THE EQUITY SHARES RESPECTIVELY.

BIDS CAN BE MADE FOR A MINIMUM OF 32 EQUITY SHARES AND IN MULTIPLES OF 32 EQUITY SHARES THEREAFTER.

A DISCOUNT OF ₹ 44 PER EQUITY SHARE IS BEING OFFERED TO ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION.

In accordance with the recommendation of the Independent Directors of our Company, pursuant to their resolution dated July 31, 2024, the above provided price band is justified based on quantitative factors/ KPIs disclosed in the 'Basis for Offer Price' section of the RHP vis-a-vis the weighted average cost of acquisition ("WACA") of primary and secondary transaction(s), as applicable, disclosed in 'Basis for Offer Price' section on page 222 of the RHP.

In making an investment decision and purchase in the Offer, potential investors must only rely on the information included in the RHP and the terms of the Offer, including the merits and risks involved and not rely on any other external sources of information about the Offer available in any manner.

In relation to Price Band, potential investors should only refer to this price band advertisement for the Offer and should not rely on any media articles/ reports in relation to the valuation of our Company as these are not endorsed, published or confirmed either by our Company or by the BRLMs.

RISKS TO INVESTORS

For details refer to section titled "Risk Factors" on page 83 of the RHP

Financials Risk:

- Negative Cash Flows:** We have had negative net cash flows in the past. The following table sets forth our cash flow for the periods indicated as per our Restated Consolidated Financial Statements:

(₹ in million)

Particulars	For the year ended March 31,		
	2024	2023	2022
Net cash used in operating activities	(420.73)	(3,989.89)	(1,317.26)
Net cash (used) in/generated from investing activities	629.44	3,040.89	(4,905.81)
Net cash (used) in/generated from financing activities	814.74	(506.18)	6,443.76
Net increase/(decrease) in cash and cash equivalents	1,023.45	(1,455.18)	220.69

- Losses incurred in past periods:** We have incurred loss of ₹(3,215.07) million, ₹(4,860.56) million and ₹(786.85) million for the Financial Year 2024, 2023 and 2022 respectively. If we continue to incur losses, our business and the value of the Equity Shares could be adversely affected.
- Risk related to the objects of the offer:** We face various inter-related risks concerning usage, receipt and deployment of the Offer Proceeds in relation to the objects of the Offer, some of which are outline below:
 - We are yet to identify the exact locations or properties for the setting up our new modern stores and warehouses in India and the Kingdom of Saudi Arabia, for which we intend to utilize the amount from Net Proceeds;
 - A portion of the Net Proceeds will be invested in our Subsidiaries, Globalbees Brands, Digital Age and Firstcry Trading Company, which have incurred losses and certain newly established businesses. We cannot assure you that our investments will enhance their profitability or yield intended results.
 - The Net Proceeds will be deployed over a long period of time and any delay may impact our operations and profitability.
- Market Risk:** The Offer Price of our Equity Shares, our pre-Offer market capitalization to revenue from operations for FY 2024 and our price-to-earnings (P/E) ratio at Offer price may not be indicative of the market price of our Equity Shares after the Offer.

Period	Ratio vis-à-vis Floor Price of ₹ 440	Ratio vis-à-vis Cap Price of ₹ 465
	(In multiples, unless otherwise specified)	
Market capitalization to Revenue from operations (for FY 2024)	3.28	3.47
Price-to-earnings ratio	N.A	N.A

Notes:

- Market capitalization = Number of shares outstanding as on date of RHP * Floor price or Cap price, as applicable
- Since the Company has incurred loss in the Financial Year 2024, the basic and diluted EPS is negative and hence, the Price to Earnings ratio is not ascertainable

Business and Operational Risks:

- Risk relating to retaining existing customer and acquiring new customers:** If we fail to acquire new customers or experience a decline in engagement with our existing customers, we may not be able to increase our revenues or achieve profitability. Our GMV generated from our Annual Unique Transacting Customers (AUTC) for Financial Years 2024, 2023 and 2022 was ₹91,211.28 million ₹72,576.34 million and ₹57,994.63 million respectively. The tables below sets forth the details of our advertising and sales promotion expenses as a percentage of our revenue from operations and our GMV generated from our new customers and existing customers as a percentage of GMV from AUTC:

Period	For the year ended March 31,		
	2024	2023	2022
Advertising and sales promotion expenses*	7.44%	7.39%	11.19%

*Includes payments made to third-party websites, search engines and social media influencers.

Period	For the year ended March 31,		
	2024	2023	2022
GMV from new customers	27.77%	27.02%	29.76%
GMV from existing customers	72.23%	72.98%	70.24%

- Risk relating to third-party brands and SKUs:** If we fail to retain our relationships with third-party brands, or attract new relationships, our business, results of operations, financial condition and cash flows will be adversely affected. Set forth below is the number of brands added on our FirstCry platform (in India, UAE and KSA), brands associated with us on our FirstCry platform, and SKUs offered by us on our platform:

Particulars	As at/for the financial year ended March 31,		
	2024	2023	2022
Brands added on our FirstCry platform (in India, UAE and KSA)	1,125	2,250	2,235
Brands associated with us on our FirstCry platform	7,580	7,035	6,287
SKUs offered (in million)	1.65	1.29	1.27

- Dependency on the online commerce industry in India:** Our business depends on the growth of the online commerce industry in India and our ability to effectively respond to changing customer behavior on digital platforms. Details of our GMV from Online business in India as a percentage to total GMV in India is provided hereunder:

Particulars	For the year ended March 31,		
	2024	2023	2022
GMV from Online business in India (as % of total GMV in India)	76.91%	77.36%	81.58%

Continued on next page...

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Other Risks:

- Our Company will not receive any proceeds from the Offer for Sale amounting to ₹23,918.28 million (calculated at floor price).
- The five Book Running Lead Managers associated with the Offer have handled 55 public issues in the past three Financial Years, out of which 12 issues closed below the issue price on the listing date:

Name of the BRLMs	Total Public Issues	Issues closed below the IPO Price on listing date
Kotak Mahindra Capital Company Limited*	15	3
Morgan Stanley India Company Private Limited*	1	-
BofA Securities India Limited*	-	-
JM Financial Limited*	29	8
Aventus Capital Private Limited*	-	-
Common Issues of above BRLMs	10	1
Total	55	12

*Issues handled where there were no common BRLMs.

- Weighted average cost of acquisition of all shares transacted in the three years, 18 months and one year preceding the date of the Red Herring Prospectus:

Period preceding the date of Red Herring Prospectus	Weighted average cost of acquisition (in ₹)	Cap Price is 'x' times the weighted average cost of acquisition	Range of acquisition price: lowest price – highest price (in ₹)**
Last one year	407.42	1.14	243.72 - 524.15
Last 18 months	407.42	1.14	243.72 - 524.15
Last three years	237.09	1.96	2.00 - 524.15

** As certified by Bansal & Co LLP, Chartered Accountants, bearing firm registration number 001113N/N500079, by way of their certificate dated July 30, 2024.

- Since the Company has incurred loss in the Financial Year 2024, the basic and diluted EPS is negative and hence, the Price to Earnings ratio is not ascertainable.
- Weighted Average Return on Net Worth for Financial Year ended 2024, 2023 and 2022 is (8.92)%.

BID/OFFER PERIOD

BID/OFFER OPENS TODAY

BID/OFFER CLOSING ON : THURSDAY, AUGUST 8, 2024⁽¹⁾

1. UPI mandate and time end date shall be at 5:00 pm on the Bid/Offer Closing Date.

An indicative timetable in respect of the Offer is set out below:

Submission of Bids (other than Bids from Anchor Investors):

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("IST"))
Bid/Offer Closing Date*	
Submission of Electronic Applications (Online ASBA through 3-in-1 accounts) – For RILs, other than QIBs, Non-Institutional Investors and Eligible Employees Bidding in the Employee Reservation Portion.	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of Electronic Applications (Syndicate Non-Retail, Non-Individual Applications)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of Physical Applications (Bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of Physical Applications (Syndicate Non-Retail, Non-Individual Applications of QIBs and Non-Institutional Investors)	Only between 10.00 a.m. and up to 12.00 p.m. IST
Modification/ Revision/cancellation of Bids	
Upward Revision of Bids by QIBs and Non-Institutional Investors categories*	Only between 10.00 a.m. on the Bid/Offer Opening Date and up to 4.00 p.m. IST on Bid/Offer Closing Date
Upward or downward Revision of Bids or cancellation of Bids by RILs and Eligible Employees Bidding in the Employee Reservation Portion	Only between 10.00 a.m. on the Bid/Offer Opening Date and up to 5.00 p.m. IST on Bid/Offer Closing Date

*UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date.

#QIBs and Non-Institutional Investors can neither revise their bids downwards nor cancel/ withdraw their Bids.

Bid / Offer Period

Event	Indicative Date
Bid/Offer Opens On	Tuesday, August 6, 2024
Bid/Offer Closes On ⁽¹⁾	Thursday, August 8, 2024
Finalization of Basis of Allotment with the Designated Stock Exchange	On or about Friday, August 9, 2024
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account	On or about Monday, August 12, 2024
Credit of Equity Shares to depository accounts of allottees	On or about Monday, August 12, 2024
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about Tuesday, August 13, 2024

⁽¹⁾UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date.

ASBA # Simple, Safe, Smart way of Application!!!

Applications supported by blocked amount (ASBA) is a better way of applying to issues by simply blocking the fund in the bank account. For further details, check section on ASBA.

Mandatory in public issues. No cheque will be accepted.

UPI UPI-Now available in ASBA for Retail Individual Investors and Non - Institutional Investor applying for amount upto ₹ 5,00,000/-, applying through Registered Brokers, DPs and RTAs. UPI Bidder also have the option to submit the application directly to the ASBA Bank (SCSBs) or to use the facility of linked online trading, demat and bank account. Investors are required to ensure that the bank account used for bidding is linked to their PAN. Bidders must ensure that their PAN is linked with Aadhar and are in compliance with CBDT notification dated February 13, 2020, issued by the Central Board of Direct Taxes and the subsequent press releases, including press releases dated June 25, 2021 and September 17, 2021 and CBDT circular no. 7 of 2022, dated March 30, 2022 read with press release dated March 28, 2023 and any subsequent press releases in this regard.

ASBA has to be availed by all the investors except anchor investors. UPI may be availed by (i) Retail Individual Investors in the Retail Portion; (ii) Non-Institutional Investors with an application size of up to ₹ 500,000 in the Non-Institutional Portion. For details on the ASBA and UPI process, please refer to the details given in ASBA form and abridged prospectus and also please refer to the section "Offer Procedure" on page 603 of the RHP. The process is also available on the website of Association of Investment Bankers of India ("AIBI") and Stock Exchanges and in the General Information Document. ASBA bid-cum-application forms can be downloaded from the websites of the Stock Exchanges and can be obtained from the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmid=35 and <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmid=43>, respectively as updated from time to time. For the list of UPI apps and banks live on IPO, please refer to the link: www.sebi.gov.in. UPI Bidders Bidding using the UPI mechanism may apply through the SCSBs and mobile applications whose names appear on the website of SEBI, as updated from time to time. HDFC Bank Limited and Kotak Mahindra Bank Limited have been appointed as Sponsor Banks for the Offer, in accordance with the requirements of the SEBI Circular dated November 1, 2018 as amended. For Offer related queries, please contact the BRLMs on their respective email IDs as mentioned below. For UPI related queries, investors can contact NPCI at the toll free number: 18001201740 and mail id: ipo.upi@npci.org.in.

THE EQUITY SHARES OF OUR COMPANY WILL GET LISTED ON MAIN BOARD PLATFORM OF BSE AND NSE

In case of any revision in the Price Band, the Bid/Offer Period will be extended for at least three additional Working Days after such revision of the Price Band subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or unforeseen circumstances, our Company may, in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of one Working Day, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, 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 BRLMs and at the terminals of the other members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank(s), as applicable.

The Offer 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 Offer is being made through the Book Building Process, in compliance with Regulation 8(2) of the SEBI ICDR Regulations, wherein at least 75% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs" (the "QIB Category"), provided that our Company in consultation with the BRLMs, may allocate up to 60% of the QIB Category to Anchor Investors, on a discretionary basis (the "Anchor Investor Portion"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which Equity Shares are allocated to Anchor Investors. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Category (excluding the Anchor Investor Portion) ("Net QIB Category"). Further, 5% of the Net QIB Category shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder of the Net QIB Category shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. If at least 75% of the Offer cannot be Allotted to QIBs, then the entire application money will be refunded forthwith. Further, not more than 15% of the Offer shall be available for allocation to non-institutional investors ("Non-Institutional Investors" or "NILs") (the "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 ₹200,000 and up to ₹1,000,000 and two-thirds of the Non-Institutional Category shall be available for allocation to Bidders with an application size of more than ₹1,000,000 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 Offer Price. The allocation to other Non-Institutional Investor shall not be less than the minimum application size, subject to availability of Equity Shares in the Non-Institutional Category and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XII of the SEBI ICDR Regulations. Further, not more than 10% of the Offer shall be available for allocation to retail individual investors ("Retail Individual Investors" or "RIIs") (the "Retail Category") in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, Equity Shares will be allocated on a proportionate basis to Eligible Employees applying under the Employee Reservation Portion, subject to valid Bids received from them at or above the Offer Price. All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer through the Application Supported by Bid Amount ("ASBA") and shall provide details of their respective bank account (including UPI ID for UPI Bidders (defined hereinafter)) in which the Bid Amount will be blocked by the SCSBs or the Sponsor Bank(s), as the case may be. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, specific attention is invited to "Offer Procedure" on page 603 of the RHP.

Bidders/Applicants should ensure that DP ID, PAN, Client ID and UPI ID (for UPI Bidders bidding through the UPI Mechanism) are correctly filled in the Bid cum Application Form. The DP ID, PAN and Client ID provided in the Bid cum Application Form should match with the DP ID, PAN, Client ID available in the Depository database, otherwise, the Bid cum Application Form is liable to be rejected. Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form is active. Bidders/Applicants should note that on the basis of the PAN, DP ID, Client ID and UPI ID (for UPI Bidders bidding through the UPI Mechanism) as provided in the Bid cum Application Form, the Bidder/Applicant may be deemed to have authorised the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for giving Allotment Advice or unblocking of ASBA Account or for other correspondence(s) related to the Offer. Bidders/Applicants are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay

resulting from failure to update the Demographic Details would be at the Bidders/Applicants' sole risk. Investors must ensure that their PAN is linked with Aadhar and are in compliance with CBDT notification dated February 13, 2020 and press release dated June 25, 2021, read with press release dated September 17, 2021 and CBDT circular no. 7 of 2022, dated March 30, 2022 read with press release dated March 28, 2023 and any subsequent press releases in this regard.

Contents of the Memorandum of Association of our Company as regards its objects: For information on the main objects of our Company, please see the section "History and Certain Corporate Matters" on page 311 of the RHP. The Memorandum of Association of our Company is a material document for inspection in relation to the Offer. For further details, please see the section titled "Material Contracts and Documents for Inspection" on page 650 of the RHP.

Liability of the members of our Company: Limited by shares

Amount of share capital of our Company and Capital Structure: As on the date of the RHP, the authorised share capital of the Company is ₹ 1,104,910,000 divided into 552,455,000 Equity Shares of face value ₹ 2 each and ₹ 99,820,030 divided into 49,910,015 Preference Shares of face value of ₹ 2 each, 155,000 Series A CCPS of ₹ 2 each, 866,165 Series B CCPS of ₹ 2 each, 21,856,650 Series C CCPS of ₹ 2 each, 438,100 Series C1 CCPS of ₹ 2 each, 77,900 Series C2 CCPS of ₹ 2 each, 12,217,950 Series D1 CCPS of ₹ 2 each, 14,197,750 Series D2 CCPS of ₹ 2 each, 30,500 Option 1 CCPS of ₹ 2 each and 70,000 Option 2 CCPS of ₹ 2 each. The issued, subscribed and paid-up share capital of the Company is ₹ 966,698,940 divided into 483,349,470 Equity Shares of face value ₹ 2 each. For details, please see the section titled "Capital Structure" on page 159 of the RHP.

Names of signatories to the Memorandum of Association of our Company and the number of Equity Shares subscribed by them: The initial signatories to the Memorandum of Association of our Company are Supam Maheshwari and Sampada Maheshwari who subscribed to 1,000 equity shares of face value of ₹ 10 each and 9,000 equity shares of face value of ₹ 10 each. For details of the share capital history of our Company, please see the section titled "Capital Structure" on page 159 of the RHP.

Listing: The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters each dated May 16, 2024. For the purpose of the Offer, NSE is the Designated Stock Exchange. A signed copy of the Red Herring Prospectus has been filed and the Prospectus shall be filed with the RoC in accordance with Section 26(4) of the Companies Act 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/Offer Closing Date, see "Material Contracts and Documents for Inspection" on page 650 of the RHP.

Disclaimer Clause of the Securities and Exchange Board of India ("SEBI"): SEBI only gives its observations on the offer documents and this does not constitute approval of either the Offer or the specified securities or the offer document. The investors are advised to refer to page 582 of the RHP for the full text of the disclaimer clause of SEBI.

Disclaimer Clause of NSE (Designated Stock Exchange): It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the Offer Document has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the Offer Document. The investors are advised to refer to page 584 of the RHP for the full text of the Disclaimer Clause of NSE.

Disclaimer Clause of BSE: It is to be distinctly understood that the permission given by BSE should not in any way be deemed or construed that the Red Herring Prospectus has been cleared or approved by BSE nor does it certify the correctness or completeness of any of the contents of the Red Herring Prospectus. The investors are advised to refer to page 584 of the Red Herring Prospectus for the full text of the Disclaimer Clause of BSE.

General Risk: Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares offered in the Offer have not been recommended or approved by SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of the Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 83 of the RHP.

BOOK RUNNING LEAD MANAGERS				REGISTRAR TO THE OFFER	COMPANY SECRETARY AND COMPLIANCE OFFICER	
Kotak Mahindra Capital Company Limited 1 st Floor, 27 BKC, Plot No. C-27 'G' Block, Bandra Kurla Complex Bandra (East), Mumbai - 400 051 Maharashtra, India Tel: (+91 22) 4336 0000 E-mail: brainbees.ipo@kotak.com Website: https://investmentbank.kotak.com Investor grievance e-mail: kmccr@kotak.com Contact person: Ganesh Rane SEBI registration no.: INM000008704	Morgan Stanley India Company Private Limited 18 th Tower 2, One World Centre Plot 841, Senapati Bapat Marg Mumbai - 400 013, Maharashtra, India Tel: (+91 22) 6118 1000 E-mail: fristryipo@morganstanley.com Website: www.morganstanley.com Investor grievance e-mail: investors_india@morganstanley.com Contact person: Homi Joshi SEBI registration no.: INM00001123	BofA Securities India Limited Ground Floor, "A" Wing, One BKC, "G" Block Bandra Kurla Complex, Bandra (East) Mumbai - 400 051, Maharashtra, India Tel: (+91 22) 6632 8000 E-mail: dg.brainbees_ipo@bofa.com Website: https://business.bofa.com/bofas-india Investor grievance e-mail: dg.india_merchantbanking@bofa.com Contact person: Aparajit Varadhan SEBI registration no.: INM000011625	JM Financial Limited 7 th Floor, Energy, Appasaheb Marathe Marg Prabhadevi, Mumbai - 400 025 Maharashtra, India Tel: (+91 22) 6630 3030/ 3262 E-mail: fristryipo@jmf.com Website: www.jmf.com Investor grievance e-mail: grievance.id@jmf.com Contact person: Prachee Dhuri SEBI registration no.: INM000010361	Aventus Capital Private Limited Platina Building, 9 th Floor 901, Plot No C-59, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051, Maharashtra, India Tel: (+91 22) 6648 0050 E-mail: fristryipo@avendus.com Website: http://www.avendus.com Investor grievance e-mail: investorgrievance@avendus.com Contact person: Sarthak Sawa / Shantanu Chate SEBI registration no.: INM000011021	Link Intime India Private Limited C-101, 1 st Floor, 247 Park L.B.S. Marg, Vikhroli (West) Mumbai - 400 083, Maharashtra, India Tel: +91 810 811 4949 E-mail: brainbees.ipo@linkintime.co.in Website: www.linkintime.co.in Investor grievance e-mail: brainbees.ipo@linkintime.co.in Contact person: Shanti Gopalkrishnan SEBI registration no.: INR000004058	Neelam Jethani Rajashree Business Park, Survey No. 338 Next to Sohrab Hall, Tadiwala Road Pune - 411 001, Maharashtra, India Tel: (+91) 84829 89157 E-mail: companysecretary@fristry.com Investors may contact the Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related grievances including non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, investors may also write to the BRLMs.

AVAILABILITY OF THE RHP: Investors are advised to refer to the RHP and the section titled "Risk Factors" on page 83 of the RHP, before applying in the Offer. A copy of the RHP is available on website of SEBI at www.sebi.gov.in, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively, and on the website of the Company at www.fristry.com and on the websites of the BRLMs, i.e. Kotak Mahindra Capital Company Limited, Morgan Stanley India Company Private Limited, BofA Securities India Limited, JM Financial Limited and Aventus Capital Private Limited at <https://investmentbank.kotak.com>, <https://business.bofa.com/bofas-india>, www.jmf.com and <http://www.avendus.com>, respectively.

Availability of the Abridged Prospectus: A copy of the abridged prospectus shall be available on the website of the Company, the BRLMs and the Registrar to the Offer at www.fristry.com, <https://investmentbank.kotak.com>, <https://business.bofa.com/bofas-india>, www.jmf.com and <http://www.avendus.com> and <http://www.linkintime.co.in>, respectively.

AVAILABILITY OF BID CUM APPLICATION FORMS: Bid cum Application Forms can be obtained from the Registered Office of BRAINBEES SOLUTIONS LIMITED, Tel: (+91) 84829 89157. BRLMs: Kotak Mahindra Capital Company Limited, Tel: (+91 22) 4336 0000; Morgan Stanley India Company Private Limited, Tel: (+91 22) 6118 1000; BofA Securities India Limited, Tel: (+91 22) 6632 8000; JM Financial Limited, Tel: (+91 22) 6630 3030/ 3262 and Aventus Capital Private Limited, Tel: (+91 22) 6648 0050; Syndicate Member: JM Financial Securities Limited, Tel: (+91 22) 6136 3400; Kotak Securities Limited, Tel: (+91 22) 6218 5410 and Spark Institutional Equities Private Limited, Tel: (+91 22) 6885 4503 and at the select locations of the Sub-syndicate Members (as given below), SCSBs, Registered Brokers, RTAs and CDPs participating in the Offer. ASBA Forms will also be available on the websites of BSE and NSE and the Designated Branches of SCSBs, the list of which is available at websites of the Stock Exchanges and SEBI. Sub-Syndicate Members: Almond Global Securities Ltd, Anand Rathi Share & Stock Brokers Ltd, Asit C. Mehta Investment Intermediates Ltd, Axis Capital Limited, Bajaj Financial Services Ltd, Centrum Wealth Management Ltd, Dalal & Broacha Stock Broking Private Limited, Eureka Stock & Share Brokers Ltd, Finwizard Technology Pvt Limited, Globe Capital Market Limited, HDFC Securities Limited, ICICI Securities Limited, IDBI Capital Markets and Securities Ltd, IIFL Securities Ltd, Jobanputra Fiscal Services Private Limited, Kantilal Chhaganlal Centurium P. Ltd, Keynote Capital Limited, KJMC Capital Market Services Limited, Loka Securities Limited, Motilal Oswal Financial Services Limited, NuVama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited), Prabhudas Lilladher P. Ltd, Pravin Ratilal Share & Stock Brokers Limited, Religare Broking Ltd, RR Equity Brokers Private Limited, SBICap Securities Limited, Sharekhan Ltd, SMC Global Securities Ltd, Systematix Shares and Stock Brokers Ltd, Tradeblus Securities Limited and YES Securities (India) Limited

Escrow Collection Bank and Refund Bank: HDFC Bank Limited
Public Offer Account Bank: Kotak Mahindra Bank Limited
Sponsor Banks: HDFC Bank Limited and Kotak Mahindra Bank Limited
All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the RHP.

Place: Pune
Date: August 5, 2024
For BRAINBEES SOLUTIONS LIMITED
On behalf of the Board of Directors
Sd/-
Neelam Jethani
Company Secretary and Compliance Officer

BRAINBEES SOLUTIONS LIMITED is proposing, subject to applicable statutory and regulatory requirements, receipt of requisite approvals, market conditions and other considerations, to make an initial public offering of its Equity Shares and has filed the RHP with RoC on July 30, 2024. The RHP is available on the website of SEBI at www.sebi.gov.in, as well as on the websites of the Stock Exchanges i.e. BSE and NSE at www.bseindia.com and www.nseindia.com, respectively, on the website of the Company at www.fristry.com and on the websites of the BRLMs, i.e. Kotak Mahindra Capital Company Limited, Morgan Stanley India Company Private Limited, BofA Securities India Limited, JM Financial Limited and Aventus Capital Private Limited at <https://investmentbank.kotak.com>, <https://business.bofa.com/bofas-india>, www.jmf.com and <http://www.avendus.com>, respectively. Any potential investors should note that investment in equity shares involves a high degree of risk and for details relating to such risk, see "Risk Factors" on page 83 of the RHP. Potential Bidders should not rely on the DRHP filed with SEBI for making any investment decision and instead should place reliance on the RHP. This announcement does not constitute an invitation or offer of securities for sale in any jurisdiction. The Equity Shares offered in the Offer have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended ("U.S. Securities Act") 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 state securities laws. Accordingly, the Equity Shares are being offered and sold (a) within the United States solely to persons who are "reasonably believed to be" qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act) pursuant to Section 4(a) of the U.S. Securities Act, and (b) outside the United States in offshore transactions as defined in and in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales are made. There will be no public offering of securities in the United States.

Tuesday, August 6, 2024

mint

Think Ahead. Think Growth.

Food delivery apps spark a boom for small-city eateries

Priyamvada C.
priyamvada.c@livemint.com
BENGALURU

When Priya Sharma opened a pizza outlet in Rishikesh in 2018, she wanted to offer a unique experience by incorporating Indian flavours into the Italian dish. After nine months of struggle, Sharma decided to list Bonfire Pizza on food-delivery platforms. Six years since, she is rolling in dough.

Down south, Kochi's Mysore Raman Idli says its order volumes have gone up nearly fivefold in two years since listing the business on food delivery platforms, with a revenue growth of around 60% during this period.

Bonfire Pizza and Mysore Raman Idli are among thousands of restaurants in India's tier II and III cities that have found success with food delivery startups, even after giving out 30-35% in commissions.

Over the past two years, Swiggy and Zomato have rolled out several initiatives to promote small F&B entrepreneurs while restaurants have availed incentives such as zero-commission for a fixed tenure. Within the app, there are also provisions to boost their visibility during certain festivities.

While most of the consumption is driven by the upper-middle class and high-income segments across top cities, incremental growth is expected to come from tier II cities and beyond, as per a report released by Swiggy and Bain & Co. earlier this month.

Unlike their peers in metros who have opposed these platforms' pric-



These restaurants don't mind spending 30-35% in commissions. MINT

ing, restaurants in the tier II and III segments believe that the commission rates are 'justified' as it enables better discovery.

Swiggy's Rohit Kapoor, who is the CEO of the food marketplace vertical, also alluded to the ability of the food delivery industry to democratize access to a larger set of local entrepreneurs.

"In many cases, the food delivery fleets have encouraged many promising entrepreneurs to start their ventures, as the delivery and discovery provided by platforms have enabled them to overcome privation of initial substantial expenditure to set up and acquire customers," Kapoor told *Mint*.

Most restaurants in tier II and III cities incur lower costs since they typically own the property and barely

TURN TO PAGE 6

QUICK EDIT

Manic Monday

This week got off to a turbulent start. The subcontinent was agog with news of Bangladesh's Prime Minister Sheikh Hasina having fled the country amid unrest against her rule, and investors across the world were left agape at stock-market tickers going deep red. Just last week, the Federal Reserve seemed confident about the US economy chugging along well, which led it to steer clear of a pivot to policy easing. Since the Fed's decision, however, the US purchasing managers' index for manufacturing has shown a contraction, unemployment has turned out worse than expected, and tensions in West Asia have threatened to flare up. Fears that the inflation-focused US Fed may have held its policy rate high for too long have hardened, with equity markets in panic mode. Japan's Nikkei tanked by over 12% on Monday amid a broader fall in Asia and Europe. Although this was partly due to the Bank of Japan hiking rates last week, thus unwinding the yen carry trade, concerns of a global recession caused by a US slump appear to be fast taking hold. Indian indices were hit, too. How the Fed responds to all this turmoil could cue the direction of indices in the near term.

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Why inflation targets minus food won't work

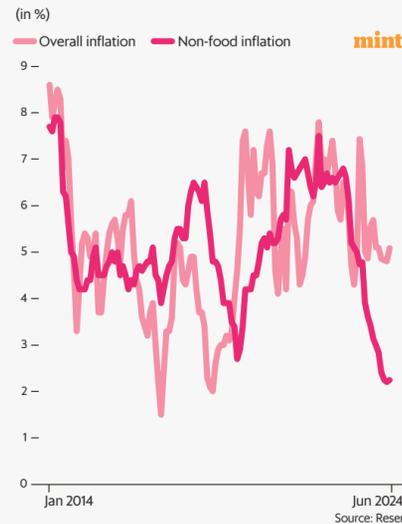
BY DEEPA VASUDEVAN

The most stringent monetary policy in decades has failed to curb food prices. In 2023-24, the consumer food price index (CFPI) surged by 7.5%, and by the June quarter of 2024, the pace of increase had risen to 8.9%. The reason is simple: food prices are typically driven by supply, rendering them largely immune to monetary policy actions. This context makes the Economic Survey's recent suggestion to exclude food prices from the inflation target particularly compelling. Historical data supports the idea that excluding food leads to a more stable inflation series. Throughout the current interest rate cycle, proposed non-food inflation—headline inflation minus the food and beverages category—was both lower and less volatile than overall headline inflation. By April 2023, non-food inflation had fallen within the RBI's upper tolerance band of 6%, and by September 2023, it was slightly below the 4% target. Headline inflation, on the other hand, has remained around 5% since early 2024. But food inflation, inconvenient as it is, cannot be wished away.

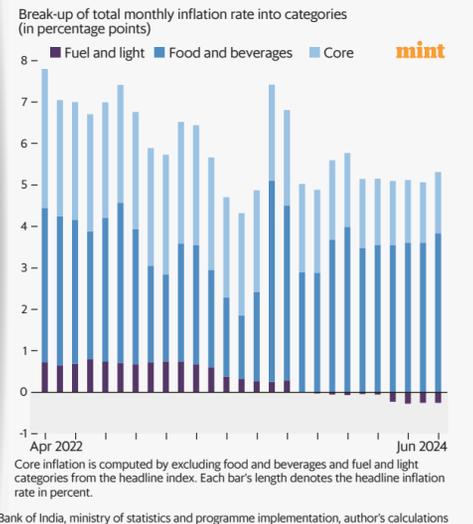
Food and beverages make up 45.9% of the consumer price index (CPI) basket (39.1% if we look at the CFPI). Food items punch way above their weight: food inflation was the highest contributor to total inflation over much of the post-pandemic period, and its contribution has consistently been above 50% over the past one year. Crop yields are threatened due to climate change, making food prices more volatile and food inflation more significant.



Inflation excluding food is lower and less volatile than headline inflation



Food has made up more than half of the inflation in the past 12 months

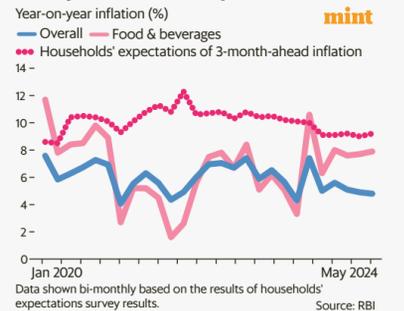


Inflation Expectations

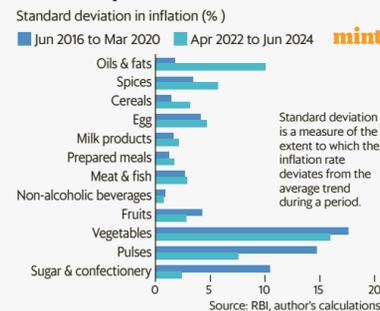
HOUSEHOLDS USUALLY build inflation expectations on the basis of recent price trends of daily-use items. Top-of-the-mind recall products include food and fuel, which is why food inflation is a key driver of inflation expectations. When food prices are persistently high, as they have been since July 2023, inflation expectations stay high, even if fuel prices decline.

The RBI's survey of inflation expectations shows households perceive current inflation to be closer to food inflation than headline inflation. Thus, an inflation measure that excludes food prices risks being lower than households' perceived inflation. Over time, household inflation expectations could diverge from the official target. When expectations get unanchored from the target, households make decisions based on their higher inflation estimates, thus fuelling actual inflation. This is a nightmare for central banks, particularly the RBI, which has meticulously built a reputation as a credible inflation-targeting institution.

Households build inflation expectations mainly on recent food price trends



Volatile prices in some food categories can have spillover effects



Second-Round Effects

IF FOOD inflation were temporary and without spillover effects, policymakers could ignore episodes of rising food prices. However, studies show that large and persistent food price shocks significantly impact non-food prices, as observed by former RBI deputy governor Michael Patra in the central bank's January bulletin. Within the food basket, certain items exhibit higher and more volatile inflation, which is most likely to affect non-food inflation. This transmission occurs through two channels: the wages-price link and household expectations. When food inflation is high for a prolonged period, wages go up, ultimately leading to higher prices. At this point, inflation becomes generalized, rather than being restricted to food. Unanchored inflation expectations also push up future inflation. All central banks, including the RBI, aim to prevent these second-round effects of food inflation because it makes monetary policy ineffective in targeting inflation.

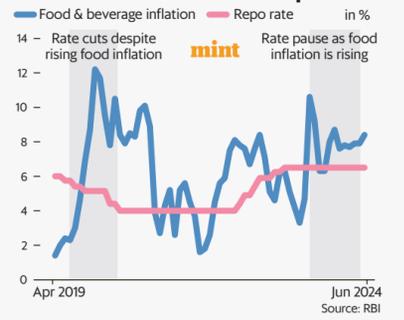
Flexibility Is Better

THE PRIMARY argument for excluding food prices from the inflation target is that it is outside the ambit of monetary policy. But research from the RBI shows that while 90% of food inflation is, indeed, caused by supply-side factors such as poor weather, supply disturbances and international price fluctuations, 10% is attributed to demand-side factors, too.

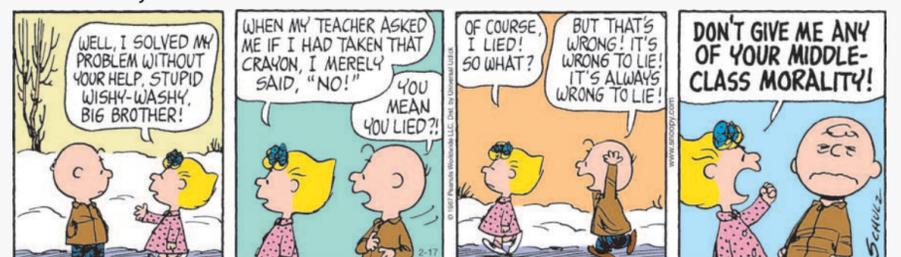
Thus, the paradox of food inflation emerges: it is transitory, but can be generalized; it is supply-driven, but has a minor cyclical component; it is not part of core inflation, yet drives household expectations. It cannot be ignored nor given central importance in monetary policy. The solution lies in a flexible, situation-driven approach to inflation targeting, as practised by the RBI. This flexibility allowed the RBI to overlook rising food prices when growth was a priority (2020, 2021) and ensures vigilance over food prices even when headline inflation trends downward.

The author is an independent writer in economics and finance.

The influence of food inflation in policy decisions has been situation-specific



PEANUTS by Charles M. Schulz



Tuesday, August 6, 2024

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Bangladesh PM Hasina quits after weeks of protests ▶ P12

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HANG SENG
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Fear stalks Street again

Volatility jumps most in nine years; Nifty, Sensex plunge 2.7% as markets bleed from Tokyo to London

Tata Sons is nearly debt-free in race to skip public listing

Shayan Ghosh & Varun Sood
MUMBAI/BENGALURU



Natarajan Chandrasekaran, chairman, Tata Group. MINT

Tata Sons, the principal holding company of the Tata Group, has become nearly debt-free, with just ₹5 crore of borrowing remaining through non-convertible debentures (NCDs). According to disclosures filed on its website, Tata Sons had no loans from banks and other financial institutions as of 30 June, as against ₹8,809 crore, or 44% of its total liabilities in the same period last year.

The move towards becoming debt-free is being seen as a step towards avoiding getting listed under a Reserve Bank of India (RBI) guideline, because loans from financial institutions is one of the metrics assessed by the regulator when it looks at classifying upper-layer NBFCs such as Tata Sons. Upper layer NBFCs like Tata Sons have to get listed by September 2025.

According to an analyst who did not wish to be named, while top 10 NBFCs by asset size would automatically be tagged upper layer, it is unclear whether assets would mean loans or even investments in group companies, as in the case of Tata Sons.

The Economic Times had reported on 2 August that RBI "is said to be agreeable" to a

proposed recast for a waiver of Tata Sons' listing.

Under Natarajan Chandrasekaran, who was reappointed chairman for a second five-year term in February 2022, the Tata Group has considered retiring some of the debt of group companies like Tata Steel and Tata Power.

At the same time, the share of dividend income of the group firms has also increased. In fact, it managed to wipe off almost all its debt on account of the ₹42,536.2 crore it got from IT services bellwether Tata Consultancy Services Ltd. (TCS), as per Mint's research.

Of this amount, ₹33,174.2 crore came through dividends and share buybacks in FY24. Another ₹9,362 crore came in

TURN TO PAGE 6

Ram Sahgal
ram.sahgal@livemint.com
MUMBAI

such as Japan, South Korea and Taiwan, foreign investors pressed the sell button in India, singeing investor wealth by a steep ₹15.4 trillion.

Domestic institutions stepped up to counter sales by foreign investors; however, profit-taking by investors who route money directly into markets worsened Monday's fall. How retail investors behave from now—through mutual funds and direct investments—will be key to ascertaining whether Indian markets can outperform global peers, market experts said.

"While headline indices trade at fair value, mid-caps and small-caps trade way above their historic valuations and could face the music for longer, unless non-institutional investors, routing funds directly or

through mutual funds, restart buying," said Sanjeev Prasad, co-head, Kotak Institutional Equities.

The yen carry trade—borrowing in cheap yen and investing in higher-yielding assets in other markets—is unwinding after the Bank of Japan last week hiked a short-term interest rate to 0.25% from 0–0.1%, the most in 16 years. This has strengthened the yen against the dollar, forcing investors leveraged by yen to unwind trades globally. Meanwhile, unemployment in the US rose to a near three-year high of 4.3% in July, raising concerns of a recession.

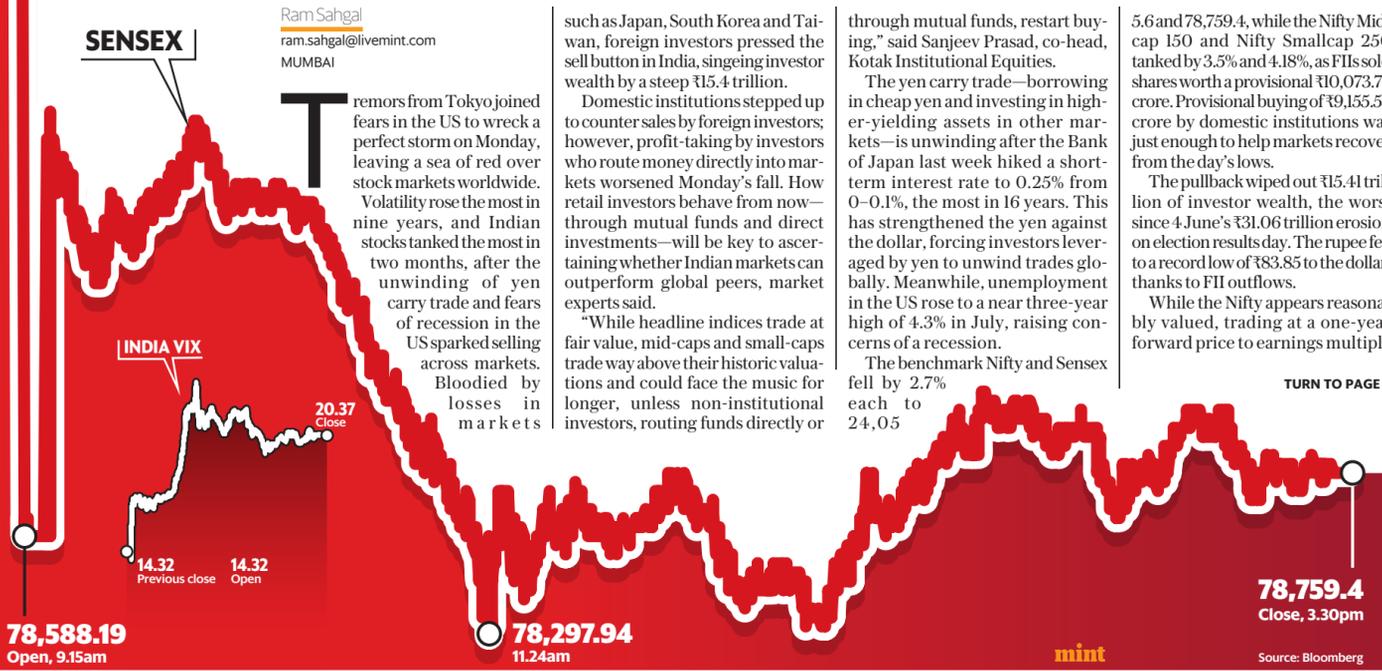
The benchmark Nifty and Sensex fell by 2.7% each to 24,05

5.6 and 78,759.4, while the Nifty Midcap 150 and Nifty Smallcap 250 tanked by 3.5% and 4.18%, as FII sold shares worth a provisional ₹10,073.75 crore. Provisional buying of ₹9,155.55 crore by domestic institutions was just enough to help markets recover from the day's lull.

The pullback wiped out ₹15.41 trillion of investor wealth, the worst since 4 June's ₹31.06 trillion erosion on election results day. The rupee fell to a record low of ₹83.85 to the dollar, thanks to FII outflows.

While the Nifty appears reasonably valued, trading at a one-year forward price to earnings multiple

TURN TO PAGE 6



DON'T MISS

Bharti Airtel's net profit rises 158% in June quarter see page 8

IndiGo will always be a low-cost carrier: MD Rahul Bhatia see page 6

Services PMI sees marginal decline month-on-month in July see page 2

Rice export ban could be lifted: Niti Aayog's Ramesh Chand see page 2

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Some of the portfolio holdings as on June 30, 2024. To view the current portfolio, please refer the latest factsheet. Past performance may or may not be sustained in the future. The stock(s)/sector(s) mentioned do not constitute any recommendation and ICICI Prudential Mutual Fund may or may not have any future position in them. The asset allocation and investment strategy will be as per the Scheme Information Document. The Risk-o-meters specified above will be evaluated and updated on a monthly basis.

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

MINT SHORTS

Indian economy likely to grow at 7-7.2% in FY25: Deloitte

New Delhi: India's economy is expected to grow at 7-7.2% in the current fiscal year, driven by robust economic fundamentals and continuity in domestic policy reforms, Deloitte India said on Monday. Deloitte India economist Rumki Majumdar said that India will witness robust growth in the second half after a period of uncertainty in the first six months of the year. **PTI**

RBI proposes principles for management of credit risks

Mumbai: The Reserve Bank (RBI) on Monday proposed to lay down principles for management of model risks in credit for banks and other regulated entities (REs) with a view to ensuring prudence and robustness. REs use various models as part of their credit management. "REs shall put in place a detailed Board approved policy with regard to model risk management framework for all models deployed, covering the entire model life cycle," an RBI draft circular read. **PTI**

Cargo traffic at major ports grows 5.92% to 70.08 MT in July: IPA

Mumbai: Cargo traffic at 12 major ports in India grew 5.92% to 70.08 million tonnes (MT) in July from 66.17 MT handled in the year-ago period, according to data released by major ports' apex body Indian Ports Association (IPA). The data by the IPA also stated that 10 of these major ports logged positive growth in cargo traffic handling, while the remaining two witnessed negative growth. **PTI**

UPI transactions jump 36% to ₹60 trillion in June quarter

New Delhi: UPI transactions in the first three months of the current fiscal have grown over 36% to ₹60 trillion, Parliament was informed on Monday. Minister of state for finance, Pankaj Chaudhary, said that 4,122 crore UPI transactions worth ₹60 trillion took place between April and June in 2024-25. For the full fiscal 2023-24, 13,113 crore UPI transactions worth ₹200 trillion were made. **PTI**

CIL inks pacts for investment in critical minerals project

New Delhi: State-owned Coal India Ltd has entered into non-disclosure pacts with companies from different nations to check the viability of potential investment in critical mineral projects, coal and mines minister G. Kishan Reddy told Parliament on Monday. Critical minerals are the foundation on which modern technology is built. **PTI**

About 23 million minor irrigation schemes counted in census

New Delhi: India has 23.1 million minor irrigation schemes, as per a government census, Union minister of state for Jal Shakti, Raj Bhushan Choudhary, said on Monday. These include 21.9 million ground water and 1.2 million surface water schemes, he said, citing the census report—the sixth such. The census aims at building a comprehensive and reliable database of the minor irrigation sector for effective planning and policy-making. It collects information on parameters like irrigation sources, ownership, holding size of land, devices used for lifting water, etc. **PUJA DAS**

Rice export ban could be lifted: Niti Aayog's Chand

Increase in paddy sowing and comfortable buffer stocks have eased concerns of rice shortages

Dhirendra Kumar & Gireesh Chandra Prasad

NEW DELHI

The year-old ban on exporting non-basmati white rice could be lifted in view of this year's bountiful rains and better paddy cultivation, a top policymaker said.

The increase in paddy sowing and comfortable buffer stocks have eased concerns of rice shortages.

According to Niti Aayog member Ramesh Chand, plentiful rains in key agricultural states may raise rice production further.

"I feel the supply side of rice is not worrisome. It's a comfortable situation. So, even if the ban is removed at this time, I think excess quantity will not leave the country," Chand said in an interview, adding that rice prices have moderated in India and abroad.

Apart from the export ban on non-basmati white rice, the government had imposed a 20% duty on exporting parboiled rice, in an effort to increase local supplies and tame prices. This year, kharif sowing of rice has increased 14% from a year ago to touch 2.77 million hectares, promising a bigger harvest. "We have good stock levels, and the area under rice cultivation is greater than it was a year ago. With expecta-



Apart from an export ban on non-basmati white rice, the government had imposed a 20% duty on exporting parboiled rice to boost local supplies. **BLOOMBERG**

tions for a much better crop, lifting the ban will not adversely affect the availability of rice in the domestic market, nor will it pose any threat or challenge to domestic supply," Chand said.

The rice export ban will be reviewed at some stage, he said.

India's rice exports fell 6.5% in FY24 to \$10.42 billion from \$11.14 billion in the previous fiscal, primarily due to a fall in shipments of non-basmati rice that took effect in July 2023. A separate ban on exporting broken rice has been in place since September 2022.

"If the government lifts the export

ban, it could significantly impact global rice trade dynamics. The improved agricultural outlook and current stock levels provide a solid foundation for reassessing export policies and supporting the broader agricultural sector," said Vijay Kumar Setia, director of Chaman Lal Setia Exports Ltd and a former president of All India Rice Exporters' Association (AIREA).

"However, this might be a one-time solution. If the government is genuinely concerned about reducing food inflation, it should review its procurement policy. Allowing private players to procure 25% of

the total produce while directing 75% to the government reserves could help control food inflation, potentially eliminating the need for future export bans," Setia said.

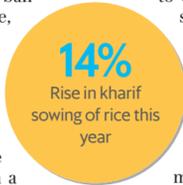
The government has allowed exports of 2.77 million tonnes (mt) of non-basmati white rice to 14 key Asian and African countries, including Singapore, Nepal, Malaysia and the Philippines.

In FY24, India's rice exports to ASEAN countries hit \$589.34 million, up from \$540.93 million a year earlier. Most of the rice was exported through National Cooperative Exports Ltd (NCEL), a government-created organization for promoting and facilitating the export of agricultural products.

Further, exports of agricultural and processed food products contracted by 3% in the current fiscal year, decreasing from \$6 billion in April-June 2023 to \$5.8 billion in April-June 2024, commerce ministry data showed. The decline is mainly attributed to global challenges such as the Red Sea crisis and rice export curbs.

According to the Food and Agriculture Organization (FAO), India stands first in rice area and second in rice production, after China. It contributes 21.5% of global rice production.

The FAO is an organization of the United Nations that aims to improve global food security and agriculture. *dhirendra.kumar@livemint.com*



Bill tabled to promote ease of biz in oil and gas E&P sector

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Union minister for petroleum and natural gas Hardeep Singh Puri Monday tabled a bill aimed at promoting ease of doing business in the oil and gas sector along with supporting India's energy transition.

The Oilfields (Regulation and Development) Amendment Bill, 2024, tabled in the Rajya Sabha, aims to decriminalize some of the provisions of the original 1948 law by introducing "penalties, adjudication by an adjudicating authority and appeal against the order of adjudicating authority".

The bill's statement of object noted that the existing law was framed in a very different global energy context, and requires to be amended to meet India's needs and aspirations for energy access, security and affordability.

Noting that there is an urgent need to increase domestic production of oil and gas to meet rising demand and reduce import dependence, the bill said: "In order to unlock



Union minister Hardeep Singh Puri introduced the bill on Monday. **PTI**

valuable mineral oil resources, it is necessary to attract investment in the sector to infuse necessary capital and technology for expediting petroleum operations in the country by creating an investor friendly environment that promotes ease of doing business, prospects for exploration, development and production of all types of hydrocarbons, ensures stability, promotes adequate opportunities for risk mitigation, addresses energy transition issues including next-generation cleaner fuels and provides for a robust enforcement mechanism for ensuring com-

pliance of the provisions of the said Act."

The bill aims to enable development of comprehensive energy projects for harnessing wind and solar energy along with mineral oils at oilfields.

In the bill, the ministry also proposes to introduce 'petroleum lease' and has expanded the definition of mineral oils to include crude oil, natural gas, petroleum, condensate, coal bed methane, oil shale, shale gas, shale oil, tight gas, tight oil and gas hydrate.

Besides, it separates mining operations from petroleum operations.

The move is in line with the government's target to install 500 GW of non-fossil power generation capacity by 2030.

The bill proposes to strengthen petroleum operations through rules framed for governing various functional aspects, such as grants of leases or licences, their extension or renewal, sharing of production and processing facilities including infrastructure and safety at oilfields.

It also proposes to provide for "efficacious" dispute resolution.

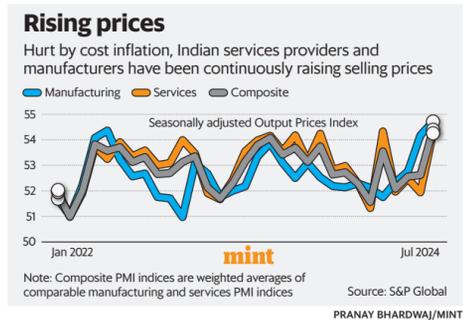
Harsha Jethmalani
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Business activity in India's services sector has lost some momentum. The seasonally adjusted HSBC India Services Business Activity Index eased marginally to 60.3 in July from 60.5 in June. A reading above 50 indicates expansion.

Domestic sales volumes got a boost from factors like buoyant demand and growing online presence, said survey participants. Exports were on a solid footing too, with new export orders seeing an impressive rise. Austria, Brazil, China, Japan, Singapore, the Netherlands and US were among countries responsible for the rise in exports. So, total new orders expanded at a historically sharp pace.

A pick-up in input cost pressures and stronger pipelines of new business gave service providers confidence to hike selling prices again in July. A PMI sub-index measuring overall rate of charge inflation climbed to a 7-year high of 54.3.

The rising costs of labour and materials bothered services providers. Within materials, cost hike was due to dearer



Lately, services providers and manufacturers have been hiking prices to pass on their rising input costs to customers. Worryingly, the composite charged inflation reading climbed to a near 11-and-a-half-year high of 54.4 in July. The composite PMI data is a weighted average of manufacturing and services PMI.

For now, services firms remain strongly optimistic about growth. A PMI gauge of business confidence for services providers rose to 63.7 in July from 60.3 in June. Around 30% of the survey panel forecast greater output volumes in the next 12 months, while only 2% expect a fall. Anecdotal evidence showed that confidence

in the outlooks for demand and sales, with improved customer engagement and new enquiries, boosted optimism, said the PMI report.

However, continuous price increases could dampen demand, especially in discretionary services. They could also further delay the interest rate cuts by RBI, which, at its meet on 6-8 August, is expected to maintain status quo. "While services sector momentum has held steady so far, we don't expect food and fuelled inflation to decline sequentially. As for interest rate cuts, we don't see them happening before February 2025," said Teresa John, deputy head of research at Nirmal Bang Institutional Equities.

Centre finalizes uniform SoP to speed up organ transplant transport

Priyanka Sharma
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NEW DELHI

The Centre has finalized a uniform standard operating procedure for speeding up organ transplants that does away with the need to screen organs at airports.

The policy drafted by federal policy think tank Niti Aayog in consultation with the ministries of civil aviation, housing and urban affairs, railways, transport and highways, ports and shipping, home affairs and defence calls for all involved ministries to appoint a nodal officer for coordination and

speeding up the process. The policy aims to speed up the process of transporting a live organ between hospitals or cities. Organs have a limited shelf life and their transport involves close coordination between various agencies.

"The SoP (standard operating practice) serves as a guiding document for transplant professionals and stakeholders across the country for seamless transport of human organs through various modes namely—road, airways, railways and water," said a senior health ministry official.

India carries out the third-highest number of organ trans-



India carries out the third-highest organ transplants and second-highest corneal transplants in the world. **HT**

plants and second-highest corneal transplants in the world. In 2023, it had more than 1,000 deceased organ donated for the

first time.

However, the organ donation rate is still less than 1 per million. The total number of

organ transplants done per year in the country has increased from 4,990 in 2013 to 17,168 in 2023, as per the health ministry data. This data includes both live and deceased organs.

The SoP says each mode of transportation has to create a green corridor in their respective area for quick transportation of the organ. The organ is to be accompanied by medical personnel.

For transport of human organs by air, the SoP ensures maintenance of the organs at appropriate conditions in a security-controlled environment with proper packaging

and labeling on the organ box. The SoP further stated that Bureau of Civil Aviation Security exempts X-ray screening of the organ box.

It mentions that staff carrying/accompanying the organ box should be given priority in deboarding for which an in-flight announcement can be made by the pilot-in-command & cabin crew may facilitate the process. Similarly, for the transport of live organ by ambulance or any other vehicle it defines that no human organ for transplant shall be allowed to be transported from outside the territory of India.

"The 'One Trigger System'

i.e. a request from the organ allocation authority to initiate the process of organ transport by creation of green corridor, may be considered. This may help minimize the concerns around internal security as the request would be obtained from a credible source," it said.

"A nodal officer from the police department may be appointed to handle issues related to the creation of green corridor for organ transport in each state/city," the official said. In case of transport of live organ by metro, tickets/tokens should be arranged beforehand for the passenger member carrying the organ box.

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S&P BSE Sensex	Nifty 50	Nifty 500	Nifty Next 50	Nifty 100	S&P BSE Mid-cap	S&P BSE Small Cap
CLOSE: 78,759.40 PERCENT CHANGE: -2.74	CLOSE: 24,055.60 PERCENT CHANGE: -2.68	CLOSE: 22,542.45 PERCENT CHANGE: -3.08	CLOSE: 70,936.90 PERCENT CHANGE: -3.26	CLOSE: 25,043.05 PERCENT CHANGE: -2.83	CLOSE: 45,956.73 PERCENT CHANGE: -3.60	CLOSE: 52,331.42 PERCENT CHANGE: -4.21
PREVIOUS CLOSE: 80,981.95 OPEN: 78,588.19	PREVIOUS CLOSE: 24,717.70 OPEN: 24,302.85	PREVIOUS CLOSE: 23,259.45 OPEN: 22,772.55	PREVIOUS CLOSE: 73,328.15 OPEN: 71,459.55	PREVIOUS CLOSE: 25,771.90 OPEN: 25,291.05	PREVIOUS CLOSE: 47,675.23 OPEN: 45,858.62	PREVIOUS CLOSE: 54,629.29 OPEN: 52,612.36
HIGH: 79,780.61 LOW: 78,295.86	HIGH: 24,350.05 LOW: 23,893.70	HIGH: 22,868.35 LOW: 22,397.70	HIGH: 72,084.95 LOW: 70,269.45	HIGH: 25,375.65 LOW: 24,871.55	HIGH: 46,715.97 LOW: 45,646.96	HIGH: 53,464.42 LOW: 52,033.90

MINT SHORTS

Private equity drought sees investors move on to stocks

The slump in private equity returns has increasingly pushed US pensions and endowments to lean on an old and familiar investment: Stocks. Large public pension funds including California Public Employees' Retirement System, Alaska Permanent Fund, and Teacher Retirement System of Texas, and endowments at Ivy League schools, have been heavily reliant on public market investments. But chief investment officers concede they've partly been playing for time, leaning on stocks until private equity starts to pay out again. It worked for the fiscal year that ended 30 June for most big institutional funds, but the recent selloff is a reminder of the risks. In Alaska, for example, the state's \$80 billion fund will draw entirely on equities to make its next payment to the state treasury. It would typically rely on returns from all asset classes to do so, but not this time, said Marcus Frampton, the fund's CIO.



Short-dated notes led the move, with the US two-year Treasury yield falling 19 bps to a one-year low. ISTOCKPHOTO

Global bond rally accelerates as market bets on big rate cuts

Global bonds rallied as traders bet the Federal Reserve and fellow central banks will turn more aggressive in cutting interest rates amid mounting concern that economic growth is faltering at a faster pace than expected just weeks ago. Short-dated notes led the move, with the US two-year Treasury yield falling as much as 19 basis points on Monday to 3.69%, the lowest in over a year. In Europe, equivalent German yields tumbled by a similar amount to 2.15%. The global repricing was so sharp that at one point the swap market assigned a 60% chance of an emergency rate reduction by the Fed over the coming week. While those odds eased off, the wager speaks to how nervous investors are becoming. Driving the shift in sentiment is mounting evidence that the world's largest economy is slowing and that the Fed risks having fallen behind the curve in not yet easing monetary policy. A much weaker-than-expected jobs report last week and a tepid reading of strength in the manufacturing sector led traders to bet on at least five quarter-point rate cuts from the Fed by year-end, compared with just two expected a week ago.

Rupee closes at all-time low of 84.03 against dollar

The rupee slumped 31 paise to settle at an all-time low of 84.03 (provisional) against the US dollar on Monday, following a sell-off in broader global markets amid rising geopolitical tensions in the Middle East and worries over recession in the US. Forex traders said the downfall in the domestic unit came on the heels of a sharp downturn in the Indian equity markets and significant foreign fund outflows.



The rupee slumped 31 paise on Monday. MINT

At the interbank foreign exchange market, the local unit opened at 83.78 and touched an intra-day high of 83.76 and a

low of 84.03 against the dollar during the session. It finally settled at its fresh record low level of 84.03 (provisional) against the American currency, down 31 paise against its previous close. On Friday, the rupee settled 1 paise higher at 83.72 against the US dollar in a range-bound trade. "We expect the rupee to trade with a negative bias on risk aversion in the global mar-

kets. Escalation of geopolitical tensions in the Middle East and outflows by foreign investors may further pressurise the domestic unit," said Anuj Choudhary—research analyst at Sharekhan by BNP Paribas. However, a weak US dollar and declining crude oil prices may support the rupee at lower levels. Any intervention by the Reserve Bank may also benefit the rupee, Choudhary added.

Traders may take cues from US ISM services PMI data. Investors may watch out for the RBI's monetary policy decision this week. USD/INR spot price is likely to trade in a range of ₹83.60 to ₹84.20, Choudhary said. In the domestic equity market, the 30-share BSE Sensex tanked 2,222.55 points, or 2.74%, to settle at 78,759.40 points, and Nifty dropped 662.10 points, or 2.68%, to 24,055.60 points. Meanwhile, the dollar index, which gauges the greenback's strength against a basket of six currencies, dropped 0.65% to 102.54.

'A further 5-7% dip may prompt investors to buy'

Although India has experienced smaller declines compared to some global markets, it remains a compelling destination for foreign investors due to its strong long-term structural prospects and transformational phase, said Taher Badshah, chief investment officer at Invesco Mutual Fund. This is not a bubble, but there are some sectors like industrials, where valuations might be euphoric, he said. A 4% correction is healthy for the market, and there might even be another 5-7% fall, he said. For things to take a turn for the worse, a lot

would have to go wrong, like a delayed rate hike or escalating tensions in the Middle East. And until then, these market dips are par for the course, he added. Edited excerpts: **To begin with, what triggered today's sell-off?** A confluence of factors played spoilsport. First, the surprise rate hike by the Bank of Japan and the unexpected impact on the yen carry trade caught investors off guard. Next, weak economic data in the US suggested a potential slowdown in the world's largest economy, casting doubt on the previously expected soft landing. Additionally, geopolitical tensions between Israel and Iran have further unsettled the markets.



These issues have created a domino effect, impacting global markets, including India. **The Nifty 50 declined 4% in the past 2 sessions, while the India VIX settled 42% higher today. Do you think it was a bubble and is this the moment when the bubble starts to burst?**

While valuations have certainly risen meaningfully, recent events have been rather unsettling—such as the impact on the yen carry trade, which caused swift and sharp market declines. Even so, this is not a bubble. But there are some sectors like industrials, where valuations might be euphoric. All said, a 4% correction is healthy for the market, and we might even see another 5-7% fall. **Do you believe it is an opportune time to enter the market currently? What's the strategy a savvy investor should follow**

from hereon? So, a further 5-7% correction ahead could make the risk reward favourable for investors looking to 'buy on dip'. **India has fallen relatively less as compared to some other global markets over the last day. So how does that place India among emerging market peers?** Over the past 2-3 years, India has ascended the ranks and is now recognized as one of the most stable, investable, and attractive countries for several reasons, including robust corporate earnings and economic growth.

Slow deposits not a drag for SBI

Manish Joshi
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It is easy to find fault with the State Bank of India's slow growth in deposits, which was 8% year-on-year compared to advances that grew at twice the rate during the June quarter (Q1FY25). This is because some of its large peers like ICICI Bank, Axis Bank and Kotak Mahindra Bank have managed to achieve deposit growth in the range of 13-21%. However, it was a conscious decision by the bank not to chase deposits aggressively by outpricing competitors. There are a couple of reasons for doing so.

One, the net loan-deposit ratio (LDR) of the bank is lower at 76% as against large peers that appear to have stretched themselves with the ratio in the range of 87-92%, the highest being HDFC Bank at 104%.

A high LDR indicates a more aggressive lending strategy, as a large portion of the bank's deposits are given out in loans. It poses dual risk of liquidity and bad loans.

Two, the bank already has an excess statutory liquidity ratio (SLR). It is the minimum percentage of deposits, cur-



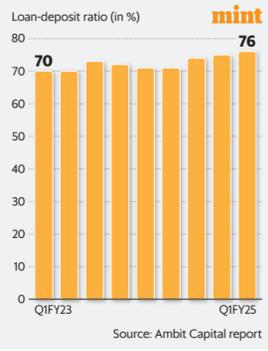
The bank aims to maintain net interest margin in the range of 3.2-3.4%. REUTERS

rently at 18%, that the commercial bank maintains through gold, cash and other securities.

The bank has an extra holding of SLR mainly in government securities of about ₹3.7 trillion with an available for sale (AFS) portfolio of ₹2.8 trillion, which can be sold to fund the growth in

Staying steady

SBI's loan-deposit ratio has moved in a narrow band indicating a balanced (neither aggressive nor conservative) approach to lending



Source: Ambit Capital report

PRANAY BHARDWAJ/MINT

interest income (NII) rose by 5.7% to ₹41,135 crore. Even though other income fell by 7.5%, the quality of other income improved as fees increased by 4.5% and the share of volatile treasury income fell.

As operating expenses remained flat, core (excluding treasury gains) provisioning operating profit (PPOP) showed a strong growth of 11.8%. A 70% jump in NPA provisions moderated the core PBT growth to 8.1% to ₹18,758 crore.

The credit cost for the quarter stood at 0.48%, much higher than 0.32% year-on-year and 0.29% sequentially. However, this is still not alarming and in line with the trend seen so far in the banking sector. In addition, the bank carries additional non-NPA provisions of ₹31,000 crore. This extra provision, considering its loan book of ₹37 trillion, should help in absorbing any future shocks in NPAs. For FY25, the credit cost guidance remains at almost Q1 level.

More importantly, there is a hanging sword of expected credit loss (ECL)

based provisioning norm coming into force with high probability in FY26. But the bank's management is confident of smooth transition to the new norm.

The bank aims to maintain NIM in the range of 3.2-3.4% going forward with advance growth target of 15%. Even though deposit rates have increased year-on-year, the bank hopes to mitigate the adverse impact through two consecutive hikes in marginal cost of funds-based lending rate (MCLR) by a total of 15-20 bps. Note that MCLR-based loans account for 36% of SBI's total loans.

BALANCING ACT

THE bank holds ₹3.7 tn in SLR and ₹2.8 tn in AFS, which can be sold to fund growth in advances

IN addition, the bank carries additional non-NPA provisions of ₹31,000 crore

Considering the guidance about credit cost, NIM and advance growth, it is likely that Q1FY25 results are a fair reflection of FY25.

Brokers like Kotak, IIFL, Antique, and Ambit are forecasting a drop in RoE in FY25 over FY24. In view of the same, the scope for further rerating looks difficult even though the bank trades at a lower price to adjusted book value (P/ABV) compared to most of its private sector peers.

Will Fed go for deeper rate cut in Sep amid recession fears?

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PATNA

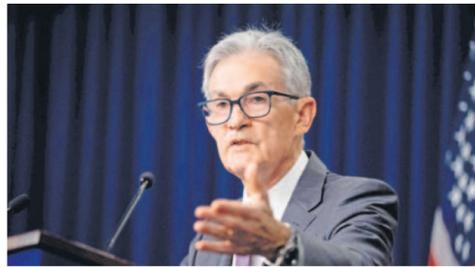
Expectations have soared of a significant rate cut by the US Federal Reserve in its next policy meeting in September, following Fed chairman Jerome Powell's clear hints after the Federal Open Market Committee (FOMC) meeting in July that rate cuts were possible as early as September when the next Fed meeting is due.

But weaker-than-expected July payroll data has quered the pitch somewhat, triggering fresh concerns of looming recession in the US. Payroll data released

last Friday showed the US unemployment rate jumped to a near three-year high of 4.3% in July against 4.1% in June. July marked four consecutive months of increase in unemployment rate.

While the market is pricing in a rate cut in September, speculation is growing about whether the US central bank will propose a substantial 50 basis points (bps) cut or just a 25 bps cut. A basis point is one-hundredth of a percentage point.

Experts are divided over the extent of possible rate cuts in US. While some believe the Fed may feel forced to cut rates in September, and there may be an overall 100 bps rate cut in September,



Federal Reserve chairman Jerome Powell. AFP

November and December, others expect the Fed to wait for more data to be certain that growth has taken a significant hit. "Rising downside growth

risks in the US in recent weeks have been accompanied by moderating labour market pressures," said Madhavi Arora, lead economist at Emkay Global

Financial Services, adding that this has suddenly changed the narrative of Goldilocks.

"Although the FOMC guided toward a gradual policy easing at last week's meeting, these developments likely interact with shifting the Fed's perception of risk decisively toward labour market weakness and could open a case for a more forceful rate cut ahead," Arora said.

On the other hand, Anitha Rangan, economist at Equirus, pointed to the situation prevailing last March when the collapse of Silicon Valley Bank (SVB) triggered the risk of larger financial problems not just for the US but globally, yet the Fed held on to its

nerve and continued hiking rates.

"This was in complete contrast to market expectations. Then, the narrative of the recession was running very high—an inverted yield curve, bank collapse, and geopolitical fallout were perfect reasons not to hike—even if the cut was premature," Rangan said.

Rangan pointed out that SVB's collapse was managed through other channels, inflation has tempered, and the labour market appears well balanced, and it could still be early to assume that pain points have intensified.

For an extended version of this story, go to livemint.com

FirstCry IPO: baby boom?

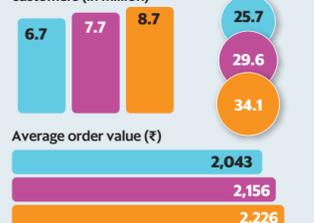
By Niti Kiran & Mayur Bhalerao
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Another highly anticipated public offering that opens today is FirstCry, a leading multi-channel retailing platform specializing in products for mothers, babies, and kids. By going public, the company aims to tap into the vast potential of India's burgeoning parenting market. Will investors open doors for seeking exposure to a market that seemingly never grows up?



STRENGTHS
FirstCry's order volumes and the number of unique customers have both surged in the past few years, propelling the company into a leading position in the rapidly expanding Indian childcare market.

Impressive growth: key sales metrics are on the rise



Consolidated financial data for India's businesses; *Defined as unique users who made at least one purchase on the FirstCry platform

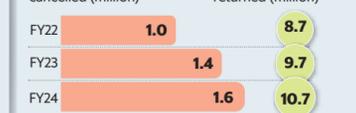
OPPORTUNITIES
With a substantial 16-17% share of India's organized childcare product market, FirstCry is well-positioned to capitalize on the upcoming growth in the segment. The company's strong brand recognition and extensive product range offer opportunities for further expansion and market penetration.



*on FirstCry platform (in India, UAE and Saudi Arabia)

WEAKNESSES
The company has seen around a 10% increase in products being cancelled in the last fiscal and nearly 48% in the previous year. Any substantial increases in the rate of such cancellations and returns, including added logistics and other operational expenses, may adversely affect its business.

Customers returning and cancelling orders pose worry



Debt burden rises
Total borrowings (₹ crore)



THREATS
The absence of exclusive partnerships with third-party brands, coupled with a high attrition rate, exposes the company to the risk of product shortages and reduced product diversity if brands decide to leave the platform.

Worrying signs: high attrition and lack of exclusive partnerships



*on FirstCry platform (in India, UAE and Saudi Arabia)

INTERVIEW

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MUMBAI

These issues have created a domino effect, impacting global markets, including India. **The Nifty 50 declined 4% in the past 2 sessions, while the India VIX settled 42% higher today. Do you think it was a bubble and is this the moment when the bubble starts to burst?**

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November and December, others expect the Fed to wait for more data to be certain that growth has taken a significant hit. "Rising downside growth risks in the US in recent weeks have been accompanied by moderating labour market pressures," said Madhavi Arora, lead economist at Emkay Global

PARAS JAIN/MINT



ITC: STAKEHOLDER VALUE THROUGH PURPOSEFUL PERFORMANCE

Address by Shri Sanjiv Puri, Chairman & Managing Director, ITC Limited
Edited Excerpts



113th Annual General Meeting, ITC Limited, July 26, 2024

Every new beginning evokes new hopes and aspirations. As the NDA 3.0, led by the Hon'ble Prime Minister, Shri Narendra Modi, begins a new term, the commitment to forge ahead with redoubled energy on its journey to a *Viksit Bharat* is evident. The Union Budget presented by the Hon'ble Finance Minister, Smt Nirmala Sitharaman, commendably focusses on unleashing inclusive growth with macro-economic stability.

ITC has, over decades, lived by its abiding vision to create larger value for its stakeholders and serve national priorities. This pledge, enshrined in our credo of Nation First: *Sab Saath Badhein*, is manifest in multidimensional endeavours. The creation of world-class Indian brands that retain larger value in the country, state-of-the-art manufacturing facilities, iconic hospitality properties, cutting-edge R&D, extensive farmer engagement and meaningful social initiatives that enrich livelihoods, are purposeful strides to shape a future-ready enterprise for the nation. The large-scale programmes to augment precious natural resources together with impactful climate action make your Company a sustainability exemplar.

As the country marches towards becoming the world's 3rd largest economy, ITC is committed to partner this momentous journey by building a FutureTech, Climate Positive, Innovative and Inclusive National Enterprise of pride. Your Company's deep engagement in all the 3 sectors of the economy – agriculture, manufacturing and services - enables us to make a meaningful contribution to the nation's progress.

Your Company attained several global sustainability distinctions and is the only enterprise in the world of comparable dimensions to be water, carbon and solid waste re-cycling positive for 22, 19 and 17 years, respectively. For the 6th successive year, ITC earned its 'AA' rating by MSCI-ESG. During FY24, ITC achieved the highest 'A' rating for CDP Water whilst retaining the 'Leadership Level' for CDP Climate. ITC remains an integral part of the Dow Jones Sustainability Emerging Markets Index. Your Company has already achieved its 2030 target of sourcing 50% of total energy from renewable sources, as also its targets for AWS platinum water stewardship by certifying 8 high-stress sites.

It is indeed a matter of pride that 12 of your Company's hotels and the Data Centre were the first in the world to achieve LEED® Zero Carbon certification. The first 4 hotels in the world to be LEED® Zero Water are also from ITC. Promoting circularity, ITC has been Plastic Neutral for the last 3 years. Your Company's multi-dimensional social development programmes empower rural communities across the country, including 6 million women.

ITC's triple bottom line approach, driven by its abiding philosophy of 'Responsible Competitiveness' assumes even more relevance in the current socio-economic context.

A Resurgent India Amidst Global Challenges

We live today in a world that is traversing through a perfect storm of geopolitical tensions, climate emergency, cost of living crisis, food and nutrition security concerns as well as inadequate livelihood opportunities. Amidst these adversities, rapid technological advancements including AI are redefining the future. Although the evolving risks are daunting, challenges also ignite new opportunities to shape a stronger, secure, resilient and a promising tomorrow.

In such a turbulent world, India has emerged as an inspiring lighthouse of growth. The stand-out performance, as the world's fastest growing major economy with a consistent 7%+ GDP growth rate over the last few years, has not only evoked global respect but also points to its future promise.

Undoubtedly, India's economic transformation is testimony to the Government's far-sighted policies and astute economic management. Sustained public expenditure in physical, digital, agri and rural infrastructure, combined with sharp execution, is fuelling a virtuous cycle of consumption, investment and employment.

The rise of Aspirational India will also spur consumption-led growth. Estimates suggest that the country's consumer market will more than double to over US\$ 5.2 trillion by 2031. Analysts project that India's per capita GDP is likely to touch the inflexion point of US\$ 4,000 by 2030, fuelling larger domestic consumption and driving higher growth.

This is truly India's moment in history. Mega opportunities are today emerging from the diversification in global supply chains, the all-pervasive digital revolution, and the urgent need for a green transition. The synergy of India's large market, favourable demographics, rising disposable incomes, technological prowess and vibrant entrepreneurship will continue to power growth in the foreseeable future. While purposeful policies can accelerate the pursuit of these unbounded opportunities, we deeply believe that enterprises rooted in India, as economic organs of society, can play a vital role in partnering the nation in the promising journey ahead.

Role of Indian Enterprise

To my mind, exemplary enterprises contribute to nation building by not only making uncompromising efforts to be globally competitive but also by embedding larger societal value creation at the core of corporate strategy. Stakeholder value through 'purposeful performance' is indeed the bedrock on which progressive enterprises will be built in the future. A nation's competitiveness gets enhanced when world-class national brands are assiduously built to retain larger value in the country whilst serving domestic and global markets. Further, investments in state-of-the-art assets, cutting-edge R&D and social infrastructure build competitive capacity for nations. Business models that integrate the creation of environmental capital and large-scale sustainable livelihoods enrich a nation's resources and the social fabric, contributing to a more secure and resilient future. Focussed action to shape brands with purpose, promote diversity & inclusion and build capabilities of local communities strengthen society in more ways than one.

Accelerating Livelihood Generation

It is universally acknowledged that India's favourable demographics constitutes one of its greatest strengths. More than a billion people, comprising nearly 70% of the population, will be of working age by 2030.

Over the next decade, almost a quarter of the incremental global workforce will be from India. This powerhouse of productive human capital is unquestionably a source of unique competitive advantage as well as a formidable driver of consumption.

The journey of economic transformation with purposeful interventions has set in place a virtuous cycle of investment and employment creating quality jobs. The impressive growth of Global Capability Centres re-affirms India's rising stature as a workplace for the world. The Budget 2024 has also announced multidimensional programmes to boost skilling and employment, strengthen MSMEs as well as provide impetus to labour-intensive sectors. The ONDC platform set up recently can also lend new wings to micro and small enterprises akin to the UPI's remarkable impact on financial transactions.

ITC: Supporting Livelihoods

ITC's deep engagements in agriculture, manufacturing and services, including hospitality and tourism, support millions of livelihoods across several value chains.

It is well acknowledged that the tourism potential is boundless and plays a pivotal role in anchoring large-scale livelihood generation. More so, given the variety of unrivalled destinations the country possesses across nature, wildlife, adventure, heritage, medical or pilgrimage tourism as well as MICE and wedding focussed opportunities. The Government has rightly taken proactive steps to promote this sector.

According to the draft Tourism Policy, employment can grow from 88 million currently to 400 million by 2047, with tourism GDP growing from US\$ 143 billion to US\$ 1 trillion, highlighting the exponential growth potential. The emerging trends of micro-tourism, immersive experiences and multiple short vacations will also add new dimensions to this industry.

The tourism sector's resurgence points to the immense potential of this industry to generate gainful employment. Supply of rooms in India currently stands at only 0.11 per 1,000 population relative to the world average of about 2.2, highlighting the enormous headroom for growth. World-class convention facilities, such as the Bharat Mandapam and the Yashobhoomi Centre, have hosted prestigious global events and showcase India's competitive edge in prestigious MICE events. While global campaigns to promote India's treasure-house of tourism assets remain imperative, concerted efforts are also required to scale up skilling to meet emerging demand. Your Company has made significant investments in building skilled hospitality talent through 6 focussed programmes, including the ITC Hospitality Management Institute and the Welcomgroup Graduate School of Hotel Administration.

Enriching India's tourism landscape, your Company's Hotels Business, with its repertoire of iconic properties, globally acknowledged cuisines, service excellence and ethos of Responsible Luxury is well poised to leverage the emerging opportunities. The asset-right strategy, envisioned for the next horizon of growth, together with the impending move to give new wings to ITC Hotels as a pure-play entity foretells an exciting future. 32 hotels have been opened in the last 24 months, taking the total to nearly 140 hotels. The robust pipeline of managed properties will take the overall footprint to over 200 hotels in the coming years, enabling ITC to enlarge its contribution to employment generation.

Similarly, the manufacturing sector, together with its extensive value chains, drives significant employment. Given your Company's engagement in the Paperboards value chain, I would like to particularly emphasise on the potential in wood-based industries which can spur significant employment across the value chain, and enrich the country's green cover. The country has nearly 30 million hectares of degraded land, the greening and productive use of which can generate millions of jobs every year, besides adding to the nation's green cover. I am sure you will take pride that ITC's Afforestation programme has supported millions of livelihoods by greening over 10 lakh acres, empowering farmers and providing a competitive source of fibre for your Company's Paperboards Business.

Contributing to the 'Make in India' vision, ITC continues to invest in building world-class infrastructure and eco-systems linked to its products and services. Today, despite our growing footprint, nearly 90% of all raw materials are locally procured. The extended manufacturing network of over 200 factories supports local entrepreneurship and sustainable livelihoods. In the last 2 years alone, investments in 3 owned luxury hotels, 8 state-of-the-art manufacturing facilities, together with the 2x expansion of your Company's distribution infrastructure have generated significant livelihoods. Investments underway in 2 state-of-the-art manufacturing facilities as well as an IT & Knowledge Centre will also add to this potential. ITC engages with over 6,000 MSMEs, extensively focussing on upgrading their technology, quality and skills given our belief that enterprises are only as strong as their value chains.

Today, ITC's businesses and value chains support over 6 million sustainable livelihoods. Your Company's presence across all three sectors of the economy positions us well to make a growing contribution in this area of national priority.

Building Climate Resilience

The rapid escalation of extreme weather events poses serious risks to growth and livelihoods. India's vulnerability to climate change is significant. Last year, the country experienced extreme weather events on 318 out of 365 days including heatwaves, floods and droughts. According to the World Bank, India could cross the human survivability index from rising temperatures. Aggravating this is the severe water stress impacting nearly 2/3rds of the country's districts.

Undoubtedly, action is required at exponential speed and scale. Proven solutions for decarbonisation need to be ramped up, while newer, economically viable and pragmatic pathways are called for to address hard-to-abate sectors, carbon capture, utilisation and storage as well as to ensure a just systems transition. Estimates suggest that decarbonisation measures in India would require upwards of US\$12 trillion by 2050, necessitating substantive public, private and multilateral funding. To unlock the potential of private capital, it will be important to catalyse accessible technologies, green financing together with market incentives and penalties besides

eliminating frictions in the system. The Budget announcement to develop a taxonomy for climate finance and other innovative measures will also facilitate availability of funds for mitigation and adaptation.

It is indeed heartening that the Hon'ble Prime Minister has spearheaded several initiatives to build a climate resilient future. The move towards green hydrogen energy, the International Solar Alliance and the Green Credit Initiative under Mission LIFE are indeed notable examples. It is a matter of pride that India is the only G20 nation which is on track to achieve its 2030 NDC targets and long-term Net Zero commitments.

Across the world, decarbonisation efforts have been rightly scaled up. While these efforts will need to continue apace, their fuller impact will be felt only over a longer term. However, as recent experiences demonstrate, extreme weather events are rising exponentially, aggravating climate risks and bringing adaptation to the centre-stage of climate action. Such extreme weather events cause economic devastation, severely impact food and nutrition security, impede industrial activity and affect quality of life, particularly for the most vulnerable. Going forward, wide-ranging adaptation measures will be called for to secure agri-value chains, pursue regenerative agriculture and strengthen food security. Physical infrastructure will need to be fortified while upgrades and new constructions will have to adhere to new climate resilient standards that are being codified.

ITC's Large-Scale Climate Initiatives

ITC believes that corporates can make a meaningful difference in combating the climate crisis and has implemented a mosaic of far-reaching interventions. The ITC Next strategy focusses both on decarbonisation and adaptation to build resilience, enhance competitiveness of its businesses whilst spurring new opportunities.

Over the years, in line with its decarbonisation strategy, ITC has significantly invested in building green infrastructure, improving energy efficiency and adoption of renewable energy. Today, 50% of your Company's total energy consumption is from renewable sources, with capacity ramped up to over 200 MW. Investments in a High-Pressure Recovery Boiler in the energy-intensive Paperboards Business is slated to reduce coal consumption by over 1,50,000 tonnes annually. Recognising that LEED® Platinum-certified Green Buildings are 25% more energy efficient and emit nearly 35% less GHG, we have built 40 Platinum-certified Green Buildings including iconic hotels. ITC Hotels has also achieved the 2030 carbon emission targets of the Paris Agreement ahead of schedule.

The Company is also working with its value chain partners, both upstream and downstream, for decarbonising their operations.

ITC's widespread physical infrastructure and agri operations are spread across 28 states and 7 Union Territories. To secure our assets and local communities, ITC has carried out extensive climate risk assessments to identify hotspots and take site-specific adaptation actions. These assessments in over 140 sites and select agri-value chains use advanced AI-enabled climate modelling tools. Risks emanating from varied climate hazards are evaluated over decadal time frames, extending till 2100, under various shared socio-economic pathways.

Among several interventions, it would be pertinent to call out the pioneering Climate Smart Agriculture (CSA) programme that today covers 2.8 million acres close to our planned target for 2030. This intervention aims to build resilience among farmers, de-risk value chains from erratic weather through a package of agronomy practices as well as the introduction of high-yielding climate-resilient varieties and appropriate mechanisation. It is indeed encouraging to note from a study undertaken in the first phase that 70% of the villages have moved into a High-Resilience, High-Yield category from just 21% earlier. GHG emissions of select crops reduced by 13% to 66% while farmer incomes increased up to 90% over a five-year period. Given the successful outcomes, we propose to enhance the area covered under CSA to over 4 million acres by 2030.

Addressing the critical issue of water security, your Company has initiated extensive demand and supply-side interventions. The Integrated Watershed Development Programmes now cover 1.6 million acres with over 32,000 water structures, while demand side interventions reduce agricultural water use by up to 50% across 1.5 million acres. As I mentioned, 8 of our units have received the AWS Platinum certification. We aim to create water-harvesting potential equal to over 5 times our net water consumption by 2030. Going beyond these efforts, we are also working on reviving river basins with negative water balance, thereby securing value chains and serving communities. Success in the Ghod river basin has led ITC to pursue similar projects in Tamil Nadu, Telangana, Karnataka, and MP. Urban water projects are underway in Bengaluru, Chennai and Saharanpur. In addition, your Company has partnered the Government of Karnataka to enable drought-proofing of 3 lakh acres and with the Government of Maharashtra to promote water literacy.

Recent studies point out that the health of natural ecosystems and biodiversity assumes critical importance as 55% of world GDP is dependent on nature. Your Company's Biodiversity Conservation programmes aimed at reviving ecosystem services and supporting livelihoods cover 4.7 lakh acres. Recognising that development of sustainable agri-scapes and mangroves conservation helps in creating a carbon sink with higher sequestration, ITC is piloting a programme for mangroves conservation in Andhra Pradesh.

Your Company's climate action builds competitiveness and resilience of its businesses even as it addresses national priorities. While decarbonisation projects aid mitigation, the adaptation programmes have been intensified in vulnerable rural areas, leveraging our deep agricultural and community engagement to enable more impactful outcomes.

Agriculture: The Next Horizon

I now turn to Agriculture, the lifeline of our economy. This sector employs nearly half of the country's workforce and faces the onerous task of ensuring food and nutrition security amidst escalating climate challenges and depleting natural resources. Despite vast arable land, diverse agro-climatic zones and leadership in producing several commodities, the sector is constrained by low

productivity, inadequate processing and exports, limited technology adoption and inefficient market access. A transformational shift is needed to transition from traditional supply-focused production to dynamic, demand-responsive value chains, fostering value addition and significantly increasing farmer incomes.

A strategic reset is therefore imperative to build global competitiveness and unleash the true potential of Indian agriculture. It is heartening that the Government has taken several measures to support development of this sector. Public investments in strengthening agri-infrastructure, national agricultural research, promoting FPOs to provide the power of scale, launch of the digital Agri Stack and marketplaces like the e-NAM are progressive interventions.

Next generation reforms can not only unlock the potential in agriculture but also address domestic food requirements and enable the country to be a significant player in global markets. To enhance productivity, increase value addition and reduce logistics costs, it is imperative to encourage the setting up of market-specific crop value chain clusters. Enabling a wider integration with global markets, these clusters can also be envisioned to serve as export corridors with fully integrated food and agricultural parks in India catering to specific markets. Such clusters can encompass large numbers of digitally empowered FPOs as also an ecosystem of micro-enterprises to provide agri-tech solutions through Farming as a Service, among others, to enhance efficiency and competitiveness of agriculture. Towards this, the initiatives to foster the integrated development of aqua value chains, demand-responsive large-scale vegetable production clusters near consumption centres, as well as microenterprises such as Drone Didi are indeed welcome.

ITC in Agriculture

The ITC Next strategy leverages the Company's century-long relationship with farmers to promote value-added agriculture, accelerate digital adoption and build climate resilience. Your Company's world-class brands anchor demand-responsive agri-value chains that 'produce the buy', providing its businesses with unique competitive advantages. As one of the largest procurers of agri-commodities, ITC supports 20 agri-value chains, sourcing over 3 million tonnes from 200 districts in 22 States. Your Company exports agri-commodities to over 85 countries, linking farmers to global value chains.

At the core of your Company's interventions is ITCMAARS – the 'phygital' eco-system that enables wider agri-tech adoption, enhances efficiencies and access to markets as well as financial services. Leveraging the power of collectives, the ITCMAARS ecosystem now constitutes over 1,650 FPOs covering more than 1.5 million farmers. By 2030, we aspire to connect over 10 million farmers. The predictive, hyperlocal & dynamic advisories coupled with an input marketplace have enhanced net farmer returns upto 30% in a short span of time. Over 10,000+ soil tests, with personalised crop nutrition recommendations based on sophisticated AI-based algorithms, have been facilitated resulting in 10-15% reduction in fertiliser usage and 15-20% improvement in crop yields. Agri-tech solutions are also being progressed across multiple value chains including drone usage, which focuses on nano nutrients and crop protection. Through remote sensing, ITCMAARS has digitised 6 million acres covering 1,000 FPOs to help deliver contextual and crop stage-specific personalised advisories. Recently, ITCMAARS launched the world's first GenAI-based regional voice chatbot for farmers called 'KrishiMitra' that has been co-developed with Microsoft.

ITCMAARS also harnesses the collective knowledge garnered over decades to provide farmers best-in-class services. This includes the experience gained from your Company's *Baareh Mahine Hariyali* programme, which enabled substantial increase in farmer incomes. The expertise gained has also enabled us to implement such best practices in 45 Aspirational Districts. Exclusive PPPs with NITI Aayog in 27 such districts have improved yields up to 30%, reduced cultivation costs by nearly 15%, thereby boosting farmer incomes up to 60%. In addition, over 5 lakh farmers are trained annually in best practices through Farmer Field Schools and demonstration farms organised by ITC.

Enabling farmers to enhance their range of remunerative crops for both domestic and international markets, the ITC Next strategy has substantially scaled up its Value-Added Agricultural Products portfolio. This includes Spices, Coffee, Frozen Marine Products, Processed Fruits, Medicinal & Aromatic Plant Extracts, among others. The state-of-the-art Spices processing facility in Andhra Pradesh leverages your Company's strong backward integration, identity-preserved sourcing, Organic and Integrated Crop Management programmes, as well as custody of supply chain.

ITC takes pride in being a farmer-centric organisation that contributes significantly to rural empowerment. I am confident that your Company's impactful initiatives will continue to strengthen the competitiveness and resilience of India's agri sector.

ITC: Abiding Commitment to National Priorities

Your Company draws inspiration from its abiding purpose to build an exemplary institution that is competitive, compassionate and a champion of change. This commitment drives Team ITC to relentlessly strive towards shaping an enterprise of pride and value for the nation, and I must commend all of them for their tremendous dedication, passion and commitment to our shared goals. In this unprecedented era of perma-change, it is our belief that such challenges provide a unique opportunity to reimagine the future, reinforce strategies to strengthen competitiveness and reposition the Company as a future-ready enterprise.

It is for this reason that the ITC Next strategy is being vigorously pursued to shape the next horizon of growth and profitability, particularly given the promising opportunities that will unfold in India over time. Strong structural foundations have been laid to give new wings to your Company's multiple drivers of growth, leveraging the mega trends of digital and sustainability, agile innovation, future-ready portfolio, empowered preneurs and strategic cost management. I am confident that the steps taken in recent years will enable your Company to create even more sustained value as we partner the nation in the journey to a *Viksit Bharat*.

Byju's CEO files caveat before SC on creditor

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As a lender to his edtech firm sought to block payment of ₹158.9 crore to avert insolvency, founder CEO Byju Raveendran has filed a caveat in the Supreme Court to prevent any ex-parte order being passed.

The caveat was filed before the apex court on 3 August, a day after the National Company Law Appellate Tribunal (NCLAT) passed an order restoring the board of edtech major after setting aside insolvency proceedings against it.

On Friday, the Insolvency appellate tribunal approved ₹158.9 crore dues settlement with the Board of Control for Cricket in India (BCCI) in which the money was paid by Riju Raveendran (brother of Byju Raveendran).

Glas Trust, a US-based creditor, had opposed the settlement with the BCCI before the NCLAT alleging the money paid by Riju Raveendran as tainted and a case of "round-tripping".

Any decision or judgement passed by the NCLAT, a quasi-judicial body established under the Companies Act of 2013, can only be challenged before the Supreme Court.

Anticipating such a move from the US-based creditor, Byju Raveendran had filed a caveat requesting to be heard before the apex court passes any order on a plea filed by the US-based creditors.

A caveat application is filed by a litigant to ensure that no order is passed against him or her without being heard.

IndiGo will always be a low-cost airline: MD

Anu Sharma
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NEW DELHI

India's largest airline IndiGo (InterGlobe Aviation Ltd), which offered low-cost all-economy seats so far, has announced the launch of 'IndiGo Stretch' business class.

The airline, which started in 2006 with 100 aircraft in the pipeline, now has a fleet of more than 380 aircraft and expects to receive more than 970 aircraft over the next decade.

Mint spoke with the airline's promoter and managing director, Rahul Bhatia, about the airline's journey and what lies ahead as it enters the next phase of business with long-haul operations and business class seats.

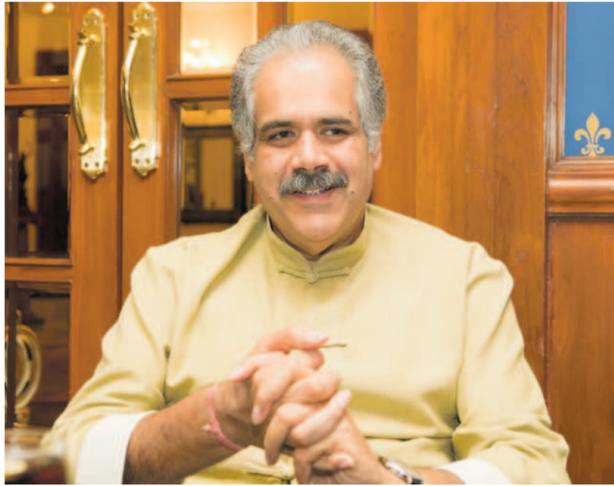
Bhatia, who holds a bachelor's degree in electrical engineering from the University of Waterloo, entered air transport management with IndiGo's parent company, InterGlobe, in 1989. He co-founded IndiGo in 2006 with Rakesh Gangwal. However, the partnership fell apart in 2019. In February 2022, Gangwal resigned from the board as a non-executive, non-independent director. As of June, he has decreased his shareholding in the airline to 19.4% from 36.7% in 2019.

Rahul Bhatia-headed InterGlobe Enterprises is IndiGo's largest shareholder. After selling 2% stake in June through a block deal for over ₹3,360 crore, the promoter group led by Bhatia is left a 35.91% stake in the airline. Addressing concerns about his reduced shareholding, Bhatia reiterated: "InterGlobe and I are here to stay."

Edited excerpts:

Tell us about IndiGo's journey from 2006 until now?
It has been an interesting journey. It has had its ups and downs. Despite the fact that we thought we had a great start, in 2008, when the fuel prices spiked, we were on the brink of bankruptcy. We came out of that and life was good for several years. Of course, then covid arrived, and

we had to deal with that. It has been a journey that has had many different colours. **How has the transition been from being a low-cost carrier to a business-class product?**
It will always be a low-cost airline. People use the word "low-cost" quite loosely. Low cost is anything that you do, you have to make sure you have the lowest cost structure in the industry, and I don't put that in the context of India, I put that in the context of the world. And so, when we launch a new product like the one we launched today, it doesn't move away from the theme of our low-cost airline. **Globally, airlines are curious about IndiGo's journey and its low-cost product. What is the secret to a successful airline?**
Of course, there is a lot of execution, and I want to recognize the efforts of tens of thousands of people in the company to build what we have, but it is also a little about being at the right place and at the right time. A company that has a good cost



Indian aviation, when it comes to flying internationally, has never fired on all cylinders...
Rahul Bhatia
Promoter & MD, IndiGo Airline

structure will grow on its own. We are also privileged with the country we live in. One other thing is that planes are planes, hardware is hardware, and it is the same plane different companies fly, but we do try very hard at IndiGo to create a special soul and spirit among our employees, and I think that differentiates success from failure.

How do you see IndiGo's role in the Indian aviation ecosystem beyond 2024?
Indian aviation, when it comes to flying internationally, has never fired on all cylinders—prior government policies may have played a role in it. But, the current disposition is supportive of Indian airlines going to the world. It is time that we bring some of that economical wealth that sits outside the country—a lot of foreign carriers are flying customers from India to the world, and I think that economic opportunity has to be brought back to this country, and I believe that between Air India and ourselves we will do what it takes to bring all of that back.

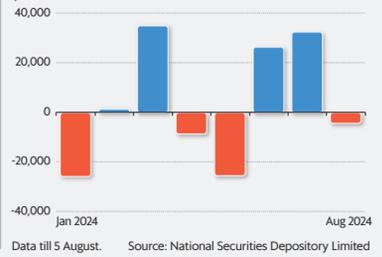
Defying the downturn: stocks that stood tall

Select BSE 500 stocks that gained on 5 August



FPI frenzy: heavy selling triggers market crash

Monthly net investments into equities (₹ crore) by foreign portfolio investors



Fear stalks the Street again, volatility hits a 9-year high

FROM PAGE 1

of 23.59 times compared with its five-year average of 24.68 times, the Nifty Midcap 150 and Nifty Smallcap 250, favourites of retail investors, are very expensive, according to Bloomberg data. The Midcap index trades at a one-year forward PE of 44X (35.62) and the smallcap at 34.68 (28.34).

Whether Indian markets, driven predominantly by domestic retail flows, can be somewhat decoupled from global peers will be clear only in a couple of days, experts said.

"We have to wait and see whether retail resilience, seen post the elections or the budget, surfaces this time, too," Kotak's Prasad said in response to a query on how long he expects the turbulence to last.

Others too are of the opinion that coming sessions would chart the course for Indian markets, which have been powered by domestic flows in recent years.

"Tomorrow (Tuesday) will be a better day to judge if we are able to hold our own or keep falling with the rest of the world," said Swarup Mohanty,

vice chairman & CEO of Mirae Asset Investment Managers (India).

Mohanty feels that the cuts in Indian markets were "relatively less severe" to those seen in Nikkei 225, Taiwan's Taiex and Kospi, which tanked between 8% and 12%, with the South Korean benchmark witnessing a trading halt after falling over 8%. "Today's sale (in India) is largely due to hot money outflows to make good losses in other peer markets," he added.

A further 5-7% correction could make the risk-reward ratio favourable for those investors looking to 'buy on dips', said Taher Shah, chief investment officer at Ivesco Mutual Fund.

On Monday, the top 5 drags on the Nifty included Reliance Industries, which contributed 79.59 points to the fall, HDFC Bank (73.95), Infosys (56.63), ICICI Bank (38.12) and Larsen & Toubro (36.4). Ten stocks fell for each stock that rose on NSE. Figures on retail activity were unavailable until press

time. Domestic institutions, led by mutual funds, net invested ₹1.85 trillion in 2023, while FIIs net invested ₹1.7 trillion.

The nervousness was underscored by fear gauge India Vix, a measure of expected volatility, spiking 42.23% to 20.37, the most since a 64% jump on 24 August, 2015, consequent to a slowdown in China.

The rise in Vix means a jump in the price to buy protection in the form of put options, which insulates investors from a loss in their cash market portfolios. For instance, the 24,000 put option expiring on 8 August,

which cost just ₹13.45 a share (25 shares make a contract), on Friday closed at ₹185 a share on Monday, a 1,275% increase.

The rise in price is because of Monday's steep fall. Option sellers are wary of selling more puts as any fall while protecting buyers could expose them to huge losses.

For an extended version of this story, go to livemint.com

Food delivery cheers small-city eateries

FROM FRONT FLAP

have any costs other than running the business. The density of restaurants also is much lower in these areas, so it makes it easier for local entrepreneurs to be discovered by these platforms. "As tier II and III areas progress further and as the competitive landscape heats up, the pressure will start there as well," said Pranav Rungta, vice president of the National Restaurant Association of India.

Meanwhile, many tier II and III markets are showing immense appetite for newer cuisines as opposed to the traditional north Indian and south Indian taste palates. Zomato's Rakesh Ranjan, who is CEO of the food delivery segment, pointed that dishes like dimsums and sushis are growing very fast in places like Ahmedabad while Nagpur is seeing a lot of Asian interest.

"There are many such different trends emerging in these areas... smaller cities today are more open to embracing food that they cannot make or eat at home," Ranjan said, adding that this has encouraged several local



Zomato currently receives about 60% of its business from the top metros.

entrepreneurs to offer unique menus.

In extension to this, a recent Redseer report also detailed how house of brands (HoBs) which own multiple brands across various cuisines under a single umbrella, stand to benefit from an average revenue that is at least 5 times higher than

standalone brands owing to a heterogeneous Indian palate with varied tastes for cuisines across regions.

crack the last mile and the delivery aspect which has bolstered the need for business models like Swiggy and

Additionally, many established brands like Bengaluru-based Warm Oven and Haldiram are also taking a conscious tier II, III strategy as they look to expand beyond the metros to grab a larger market share. Historically, several established restaurants have failed to

crack the last mile and the delivery aspect which has bolstered the need for business models like Swiggy and

Zomato. Pure-play F&B businesses did not have the finesse and sophistication to handle a complex operation like delivery which covers several aspects of logistics.

While tier I cities and the metros continue to drive the growth at a slightly higher pace than tier II markets and beyond, Zomato's Ranjan anticipates the gap to narrow further as growth rates improve.

Zomato currently receives about 60% of its business from the top metros. "As the quality and supply of restaurants increases in tier II and III markets, it is inevitable that they will surpass the contribution from metros," he said.

Swiggy and Zomato, which receive an average order value of about ₹400-450 across India, are also seeing a good uptake in their delivery discount and loyalty programmes from customers in the tier II segments. However, the frequency of orders is greater in the metros. The Redseer report also noted that eating outside is more habitual for metro and tier I customers rather than being a luxury.

For an extended version of this story, go to livemint.com

Tata Sons clears most of its debt in move to avoid public listing

FROM PAGE 1

when it sold 0.65% of TCS shares earlier this year.

As per disclosures cited earlier, total assets of Tata Sons stood at ₹1.6 trillion as on 30 June, up from ₹1.3 trillion in the year-ago quarter.

Queries emailed to Tata Sons and RBI remained unanswered till press time.

Tata Sons was classified as an upper-layer non-banking financial company (NBFC) in September 2022 by the RBI, and must be listed on the stock exchanges by September 2025 unless it manages to get an exemption.

RBI regulations classify NBFCs into four layers—base layer, middle layer, upper layer and top layer—based on size, activity, and perceived risks. The upper layer comprises prominent names such as Tata Sons, LIC Housing Finance, L&T Finance, and Shriram Finance.

The regulator said in its 2021 guidelines that upper-layer NBFCs must be listed within three years of being identified as one. A few, such as Piramal



Ratan Tata, chairman emeritus, Tata Group.

Capital and Housing Finance and Aditya Birla Finance, have tried to side-step this by announcing mergers with their listed parents.

The Tata group has a complex structure under which business and philanthropy are run through three layers.

At the top are the self-governing Tata Trusts that Ratan Tata, chairman emeritus of the Tata Group, chairs. Tata Sons is owned 65.9% by the trusts, 12.87% by half a dozen Tata Group companies, and 18.4% by the Mistry family.

Tata Sons is the holding

company of Tata Group companies in the middle layer, which Chandrasekaran runs. It primarily depends on dividend income from about 26 listed companies in which it owns shares, and uses this money to invest in group companies for business expansion.

Tata Sons, in turn, owns shares in these 26 companies, forming the third layer. The companies, such as Tata Motors Ltd, Tata Steel Ltd and TCS, cumulatively had over \$165 billion in revenue and \$365 billion in market capitalization at end of March 2024.

"Tata Sons, being the principal holding company of the Tata Group, has been participating in the fund-raising programmes of some of its investee companies. Given that some of its subsidiaries in the digital and aviation space are currently in the investment phase, the funding support to these businesses is likely to continue over the medium term," rating agency Ica said in a note dated 29 February.

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For an extended version of this story, go to livemint.com.

Musk drags Altman, OpenAI to court again

Reuters
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Elon Musk has revived a lawsuit against ChatGPT maker OpenAI and its CEO Sam Altman on Monday, saying that the firm put profits and commercial interests ahead of the public good.

The new lawsuit is the latest attempt by Musk to oppose the company he co-founded in 2015.

He alleges that once OpenAI's technology started to transform generative artificial intelligence, Altman "flipped the narrative and proceeded to cash in".

OpenAI and Musk did not immediately respond to Reuters' requests for comment.

The suit seeks a judicial determination that OpenAI's license to Microsoft to use its AI models is null and void. Musk also contends that the OpenAI's language models are outside the scope of the company's partnership with Microsoft.

OpenAI has a licensing partnership with Microsoft, under which the big tech giant invests billions of dollars into the startup in exchange for allowing the use of its large language models for its computing services.

In June, Musk withdrew an earlier lawsuit against OpenAI and Altman that had accused them of abandoning the startup's original mission to develop artificial intelligence for the benefit of humanity rather than for profit.

Attorneys for Musk had asked the California state court to dismiss the suit, originally filed in February, without providing a reason for the move.

In the case filed in February, Musk had said that OpenAI's three founders had originally agreed to work on AI in a way that would "benefit humanity."

Graphic India plans for India's Marvel moment with local superheroes

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NEW DELHI

Graphic India, a character entertainment company known for titles such as *The Legend of Hanuman* and *Baahubali: Crown of Blood*, is banking on featuring local superheroes in animation, comics, gaming and live action films to take them global and create a Marvel-like moment in India.

Sharad Devarajan, founder and CEO of the company, said India is sitting on a treasure trove of stories that have yet to make their presence across various pop culture forms. By creating intellectual properties

(IPs) that can transcend geographical boundaries, the creative potential of the unique storytelling culture of India can be unlocked for the world, much like the West has already done, Devarajan said.

Graphic India is also known for creating an Indian version of Spider-Man, Pavitr Prabhakar, who appears in several Spider-Man films, *Astra Force*, an animated superhero TV series along with Amitabh Bachchan for Disney Channel India, and *Chakra: The Invincible*, a film based on the character originally created by Stan Lee. It also co-produced Zoia Akhtar-directed Netflix original *The Archies*.

"We don't look at ourselves



Sharad Devarajan, founder and CEO, Graphic India. @GRAPHICINDIA/X

as being in the animation, comic or live action business. We see ourselves in the storytelling business and creating fundamental multi-platform

stories," Devarajan said in an interview to Mint. "We have seen the most successful IPs transcending media platforms and venturing into multiple

revenue models and markets. Over time, creating a seamless multi-platform experience of immersion will become a more defining trend and we will need great stories to feed these experiences."

The two truths of the media business today, he added, is that everyone is in every business be it, films, toys or gaming. Plus, everyone wants to be in every country resulting in a sort of global land grab with brands such as Marvel speaking to people everywhere in the world, from China and India to

Brazil through characters that come to life via different media forms.

Devarajan said the company's focus is on creating uniquely Indian, multi-platform content. The firm is developing six animated projects, including big-screen theatrical experiences that will cater to not just children, but all demographics.

Further, Mark Fergus and Hawk Ostby, writers of *Iron Man* and *Children of Men*, will script a live-action, English-language film adapta-

TREASURE TROVE

GRAPHIC India CEO says India is sitting on a treasure trove of stories fit for pop culture platforms

THE firm's focus is on creating uniquely Indian, multi-platform content, said Devarajan

tion of *Shadow Tiger*, based on the Graphic India comic book character created by Devarajan.

Overall, the company has six live action projects in different stages of pre-production. Devarajan has also founded Toonsutra, a webtoon comic platform backed by investors such as Sony Innovation Fund, Maiora Capital, Crunchyroll's cofounder Kun Gao, Light-speed's partner Jeremy Liew, and Twitch's cofounder Kevin Lin.

Overall, the Graphic India slate will be divided equally between originals made in Indian and foreign languages.

For an extended version of this story, go to livemint.com.

PASCO AUTOMOBILES RECEIVED 11 AWARDS AT THE ANNUAL MARUTI SUZUKI DEALER CONFERENCE, 2024 IN TURKEY

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Bharti Airtel Q1 profit rises 158% to ₹4,160 cr

The firm added 6.7 million customers and reported a higher ARPU of ₹211

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Bharti Airtel, India's second-largest telecom services provider, on Monday posted a net profit of ₹4,160 crore for the quarter ended June, doubling sequentially and jumping 158% from a year ago, mainly due to exceptional gains from a favourable tax judgement, and divestment of its Sri Lankan operations.

The Sunil Mittal-promoted telecom operator's consolidated revenue during the quarter rose nearly 3% to ₹38,506 crore. Sequentially, it was 2.4% higher.

Earnings before interest, tax, depreciation and amortization (Ebitda) came in at ₹19,944 crore, up 1% y-o-y, while Ebitda margin declined to 51.8%.

"Our stringent focus on driving cost efficiencies is reflected in strong operating leverage. Africa continues to deliver strong underlying constant currency revenue growth. India operations added 6.7 million smartphone customers and reported an improved ARPU (average revenue per user) of ₹211. Our postpaid strategy continues to yield results with 0.8 million net adds," said MD and CEO Gopal Vittal in a statement detailing the quarterly results after market hours on Monday.

Bharti Airtel stock settled 1.6% lower at ₹1,469 on NSE on Monday.

"The industry saw much needed action on tariff repair, which is positive for industry's financial health amid ongoing large network capex. We continue to believe that industry needs over ₹300 ARPU at the minimum for financial stability," Vittal said, referring to the tariff hikes undertaken by all carriers including Airtel in June. Analysts and sector experts have said that the full effect of the tariff hikes on ARPUs is expected to be seen in the



The jump in profit was mainly due to exceptional gains from a favourable tax judgement, and divestment of its Sri Lankan operations. REUTERS

second and third quarters of the current financial year.

Profit for the quarter was higher than market estimates due to exceptional gains totalling ₹1,235 crore that came from a waiver of interest by the Supreme Court on tax treatment of adjusted gross revenue (AGR)-linked variable licence fee payable

to non-controlling interest.

African operations reported a profit of ₹30 crore in the quarter, compared to a loss of ₹788 crore in the same quarter last year, due to currency devaluation, while revenue shrunk to ₹9,636 crore in the June quarter from ₹11,316 crore in the same period a year ago.

PROFIT CALL		
THE telecom operator's Ebitda came in at ₹19,944 cr, while Ebitda margin declined to 51.8%	ON a standalone basis, the telco's India and South Asia operations saw net profit of ₹4,087.6 cr	AFRICA operations reported a profit of ₹30 cr, compared to a loss of ₹788 cr in the year-ago period

to the telecom department amounting to ₹1,399 crore and divestment of Airtel Lanka operations that amounted to ₹275 crore, set off against losses of ₹938 crore from currency fluctuations, especially Nigerian Naira, impacting African operations. The telco got a net tax benefit of ₹327.8 crore and ₹172 crore was allocated

to non-controlling interest.

ARPU, a key metric of profitability, increased sequentially to ₹211 from ₹200. In comparison, the country's largest telecom firm Reliance Jio's ARPU was flat sequentially.

Gautam Adani lays out succession plan

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Gautam Adani, the 62-year-old chairman of Adani Group has in a media interview said that he plans to step down from the role once he is 70, Reuters reported on 5 August.

"Succession is very, very important for the business sustainability. I left the choice to the second generation as the transition must be organic, gradual and very systematic," Adani told Bloomberg.

Notably, Adani is the second richest man in Asia, after Mukesh Ambani, and holds a fortune exceeding \$100 billion, as per the Bloomberg Billionaire Index (BBI).

Speaking to Bloomberg, Adani outlined plans for his succession at the multi-billion empire. His sons Karan (37) and Jeet (26) Adani and their cousins Pranav (45) and Sagar (30) Adani are the named "heirs" via the family trust, it said.

After Adani retires, his heirs Jeet, Karan, Pranav and



Gautam Adani, the 62-year-old chairman of Adani group said that he plans to step down from the role once he is 70. PTI

Sagar, will become equal beneficiaries of the family trust that holds the Adani Group, the report said. The transition of stakes in the conglomerate's various firms will be conducted through a confidential agreement, Bloomberg said citing people familiar with the matter.

Adani Group did not respond to queries, Reuters said.

Adani's elder son Karan is at present the managing director

(MD) of Adani Ports, while the younger Jeet is the director of Adani Airports, nephew Pranav is the director of Adani Enterprises and nephew Sagar is the executive director of Adani Green Energy Ltd, as per the Group website.

As for the vacated chairman's post in the future, Pranav and Karan are the most likely candidates, as per the Bloomberg report.

In separate interviews with Bloomberg, the 'heir

apparents' said that decision-making in times of crisis or for strategic calls will be "joint" once Adani cedes control, Reuters added.

The scions brushed off questions about the challenge of collective decision-making. "Though each of us are looking at different businesses, we are like one team. The family members who are in headquarters have lunch together each day, where day-to-day issues are discussed," Pranav said.

Notably, Adani Enterprises, the group's flagship company, released its QFY25 earnings report last week. It registered over double profit year-on-year (y-o-y), thanks to expansion in its new energy business and increased investments in renewable energy.

Adani Group has a total market capitalization of \$213 billion, has holds as many as 10 listed entities in the infrastructure business, ports, shipping, cement, and solar energy sectors, among others.

With inputs from Reuters and Bloomberg

Adani's power firm raises ₹8,373 cr via QIP

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NEW DELHI

Adani Energy Solutions Ltd (AESL) on Monday said it has raised ₹8,373 crore through qualified institutional placement (QIP) route to build capacity for evacuation of electricity from renewable sources.

It is the company's first equity raise in the capital market since its demerger and listing from Adani Enterprises Limited (AEL) in July 2015. AESL said in an exchange filing. "AESL has successfully completed its ₹8,373 crore (\$1 billion) qualified institutional

placement, the largest in India's power sector," it said.

The transaction was launched post-market hours on 30 July with a base deal size

of ₹5,861 crore (\$700 million) and included a green shoe option of up to ₹8,373 crore. The QIP witnessed overwhelming demand, receiving bids of approximately 6 times of the base deal size from a diverse group of investors, including utility-focused US investors entering India for the first time, sovereign wealth

The proceeds will be used to build evacuation corridors for green power, enhancing energy efficiency, network planning

funds, major Indian mutual funds, and insurance companies. This strong interest enabled AESL to fully exercise the green shoe option, raising the total issue size to \$1 billion.

"The management committee of the board of directors approved the allotment of 85,789,959 equity shares of face value ₹10 each to eligible qualified institutional buyers at the issue price of ₹976 per equity share (including a premium of ₹966 per share) and reflecting a discount of

₹51.11 on the floor price of ₹1,027.11 per share, aggregating to ₹8,373 crore," the company filing said.

The company will utilize the proceeds towards building the bulk evacuation corridors for renewable power, enhancing energy efficiency and improving network planning.

Besides, the proceeds will be used to make debt repayments and strengthen overall corporate activities.

"The strong interest from institutional investors reflects their commitment to and belief in India's energy transition, in which AESL plays a pivotal role," Kandarp Patel, chief executive officer of AESL said.



The PFC board is set to take up the proposal to extend a ₹20,000 crore loan to the Shapoorji Pallonji Group on 18 August. REUTERS

PFC independent directors flag loan plan for SP Group

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MUMBAI

The independent directors of state-run Power Finance Corporation (PFC) have raised concerns over a proposal to extend a ₹20,000-crore loan to the Shapoorji Pallonji Group (SP), two persons aware of the matter said on condition of anonymity. The board is set to take up the proposal in a meeting scheduled for 18 August.

"The loan is yet to be approved by PFC and the inde-

Concerns have also been raised about PFC's ability to underwrite a loan to a conglomerate

pendent directors have raised some concerns. Once they are able to answer those queries, they can go ahead," said the first person.

The three independent directors on the board have questioned the rationale behind giving the loan to SP Group's main investment vehicle Sterling Investment Corp against their shares in Tata Sons, the holding company of India's diversified conglomerate Tata Group, to refinance the debt taken three years ago at a coupon rate of 19-22%. In an emailed interview to *Economic Times* in May, Tata Sons' chief executive officer Siddharth

Sharma had made it clear that the pledged shares cannot be transferred by SP Group, which is the single-largest minority shareholder in the holding company of the Tata Group with an 18.37% stake.

Concerns have also been raised about PFC's ability to underwrite a loan to a conglomerate, which has exposure to real estate construction and infrastructure. PFC, which is the largest financier to the power sector, has been making forays into infrastructure and logistic sectors over the past one year. An email sent to SP Group remained unanswered till press time, while a PFC spokesperson said the company will issue a statement today, when it unveils its June quarter earnings.

Sony business head Neeraj Vyas quits as new CEO set to move in

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NEW DELHI

Neeraj Vyas, business head for Sony Entertainment Television, Sony SAB, PAL, and Sony MAX movie cluster, will leave the company on 31 August, Sony Pictures Networks India (SPNI) announced on Monday.

The development comes a little over a month after the company said Gaurav Banerjee would be its next managing director and chief executive. Banerjee is set to take charge this month.

He comes to Sony from Disney Star, where he served as head of content for Hindi entertainment and Disney+ Hotstar, and business head for Star Bharat, Hindi and English movies, kids and infotainment, and regional (east). He will succeed N.P. Singh, who announced in May that he would step down after a 25-year tenure with Sony.



Neeraj Vyas will leave the company on 31 August.

Sony said Vyas has been instrumental in shaping several key businesses at SPNI, including the flagship general entertainment channels (GECs), Sony Entertainment Television, Sony SAB, Sony PAL, and the Hindi movies cluster.

Vyas has decided to begin his entrepreneurial journey, SPNI said. His stint at SPNI began in sales for Sony Entertainment Television (SET), and he served as

national sales head for the channel in 2005. Five years later, he was appointed executive vice president for Sony MIX, the network's Hindi music channel.

In 2011, he took on the responsibility for Sony MAX, followed by Sony SAB and Sony PAL in 2017, and Sony Entertainment Television in 2023. Under his leadership, Sony SAB was repositioned as a premium entertainment brand, with a new programming line-up and content strategy.

Singh said in a statement, "Neeraj Vyas's journey with Sony Pictures Networks India has been remarkable. His vision and leadership have been pivotal in transforming our entertainment channels into market leaders. Neeraj has an innate ability to understand the pulse of the audience and create content that resonates deeply with viewers."

For an extended version of this story, go to livemint.com

FMCG cos cheer rural growth

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NEW DELHI

Consumer goods makers such as Marico Ltd and Britannia Industries Ltd on Monday said rural demand trends improved in the June quarter, as companies reported better sales of their products in the past few months.

"The rural growth is starting to come back, which had been lagging urban growth for some time. That's something which will help us, overall, get better growth. So, the reason for the same is obviously better monsoons, moderate inflationary conditions, as well as employment—there's some employment data which is showing that rural employment is at an all-time high. So, things are looking a little better, still not out of the woods completely, but definitely better than where we were," Varun Berry, vice chairman and managing director, Britannia Industries, said during the company's



Britannia Industries managing director Varun Berry. MINT

post-earnings call on Monday.

Berry said the company's performance in rural markets was "better" than in urban markets, barring some pockets of the Hindi belt. On Friday, the biscuit maker announced June quarter earnings. The company's volume growth accelerated in high-single digits, aided by share gains. "We continue to make positive strides in rural areas as we expand distribution footprint and enhance product offerings to align with regional preferences, and are well-positioned to

benefit from the consumption growth in rural areas. As a result, rural market share grew at a faster clip than urban," he said.

"The quarter continues to witness gradual improvement in demand trends with rural growth ahead of urban. Pricing will, however, turn flattish on a year-on-year basis while both home and personal care and food witness an uptick. The pickup in home and personal care has been more pronounced over the last six months. Premium segments continue to outpace mass segments, and alternative channels continue to gain salience vis-a-vis general trade," Saugata Gupta, MD & CEO, Marico Ltd said during the company's post-earnings call on Monday.

The Parachute hair oil maker on Monday reported a 4% rise in domestic volumes, as consolidated revenue rose 7% year-on-year. For the March quarter, the company had alluded to a "visible uptick" in rural demand albeit towards the end of the quarter.

Actis, Mahindra Lifespace JV buys industrial land in Chennai

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Ample Parks, a joint venture (JV) between global infrastructure and energy investor Actis and real estate firm Mahindra Lifespace Developers Ltd, has secured a prime 70-acre industrial land parcel at Mahindra World City, Chennai. This acquisition, the first under the joint venture, will be developed into an integrated industrial and logistics park at an investment of around ₹800 crore funded through debt and equity.

In October 2022, Actis announced that it has partnered Mahindra Lifespace Developers, the real estate arm of Mahindra Group, to establish an integrated business that

will develop industrial and logistics real estate facilities across the country.

The joint venture platform, Ample Parks, was formally launched on Monday. Actis holds a majority stake in the JV, with Mahindra Lifespace Developers owning a significant minority stake. Akash Rastogi has been appointed chief executive officer for the new platform.

In its inaugural project at Mahindra World City, Ample Parks plans to develop approximately 2 million sq. ft of Grade A (top quality assets) industrial and warehousing space. Actis will own a 67% stake, and Mahindra Lifespace Developers will hold 33% in the integrated industrial park.

"We expect substantial growth in Grade A and Grade B



Ample Parks aims to acquire about 700-750 acres for large-format industrial and warehousing spaces over the next 5-7 years. MINT

warehousing logistics facilities prompted by consumption growth," Raghavendra Chandak, director of real estate at Actis, told Mint. "Ample Parks aims to acquire around 700-750 acres to develop large-format industrial and warehousing

spaces across 15-17 projects over the next 5-7 years in tier 1 and 2 cities which are growth centres such as Chennai, Bengaluru, Mumbai, National Capital Region and Pune. We will also look at Lucknow, Hyderabad and Ahmedabad." Chan-

dak said this development will require around \$600 million of investment in debt and equity.

Akash Rastogi highlighted the positive impact of the diversification of manufacturing away from China and government initiatives like "Make In India" and the "production linked incentive (PLI) scheme" on India's manufacturing and logistics sectors.

"Our first project of Grade A industrial development can offer plug-and-play facilities as well as bespoke built-to-suit solutions to a diverse set of customers and allow for scalability. Sustainability will be integral to this development

and will enable businesses to operate efficiently while minimizing their environmental impact," Rastogi said.

Actis and Mahindra Lifespace Developers have previously collaborated on residential projects. Actis has committed \$1.7 billion to real estate in Asia since its inception. "...(W)e are poised to create a transformative platform to meet the evolving needs of businesses. This initiative fits well into the state-of-the-art facilities within an already established, self-contained ecosystem," said Amit Sinha, MD and CEO, Mahindra Lifespace Developers.

The joint venture will require around \$600 mn of investment, combining debt and equity for the development



India's IT giants shun costly consultants on dull demand

Subcontractor expenses as a percentage of revenue for top software firms have dropped

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BENGALURU

India's top information technology services companies are spending less on hiring temporary consultants for some of their software-related work, portending an extended softness in demand but also signalling a significant shift in the traditional outsourcing model.

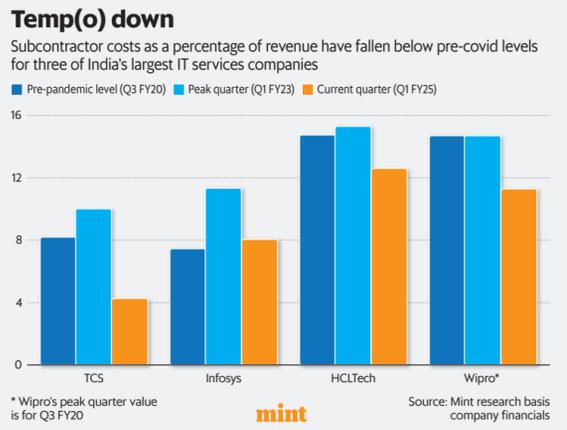
Subcontractor expenses as a percentage of revenue for three of India's top four IT services companies have dropped quarter on quarter over the last two years and are now at their lowest since December 2019, before the covid-19 pandemic made its way to India.

Typically, employees account for about 60% of an IT company's overall expenses; consultants, who tend to be more expensive than a company's employees, make up 4-13% of the costs.

Companies contract consultants from staffing firms when demand from clients outweighs their internal resources. This primarily applied to overseas deals where clients preferred for an IT services company's employees or contractors to be located at the site of the project.

IT industry experts and executives at staffing firms attribute the reduced hiring of consultants chiefly to subdued spending by clients, as well as to a shift in business models as clients are now more willing to have their work handled remotely.

While this should ideally help companies boosting their margins, most of India's top IT services companies haven't been able to return to their pre-pandemic levels. Also, even as the bosses of India's largest IT services companies have hinted at a better



2024-25 as compared with the year gone by, they have been tempered in their optimism.

Subcontractor costs for Tata Consultancy Services Ltd, India's largest IT services company, dropped to 4% of its operational revenue of Rs 62,613 crore in the June quarter, its lowest since October-December 2019, when its temporary worker costs accounted for 7.9% of revenue.

For HCL Technologies Ltd, this figure dropped to 12.6% from 14.8% in the same period, and for Wipro Ltd, to 11.3% from 14.7%.

"The drawdown of subcontractor expenses is driven by the ongoing contraction of discretionary spending," said Peter Bendor Samuel, chief executive of Everest Group, a Dallas-based IT research firm. "Discretionary spending often requires contractors to add expertise and onshore capabilities. As this spend has been reduced, the need

for contractors also is reduced." TCS, HCLTech and Wipro did not reply to queries emailed on Sunday.

For Infosys Ltd, India's second-largest IT services company, subcontractor expenses as a percentage of its revenue in the June quarter was about 8.1%, higher than the 7.5% in October-December 2019.

Infosys has let go of a significantly high number of permanent employees over the past two years even as it won many mega deals, making it necessary for the company to hire consultants where their clients' projects are located.

Infosys didn't reply to Mint's queries. TCS has also won a large number of mega deals over the past two years, but has managed to strike a balance between employee-hiring and contracting consultants.

"They (TCS) prefer to grow their own talent and have further focused on

reducing contractors to keep cost low," said Samuel. "They are also the most aggressive firm in moving work to India, where they don't need contractors."

Despite this, TCS's operating margin shrunk to 24.7% in the latest June quarter, from 25% in the three months through December 2019. Infosys' operating margin dropped to 21.1% from 21.9% in that period, HCLTech's to 17.1% from 20.2%, and Wipro's to 16.5% from 18.4%.

"Typically, higher proportion of subcontractor staff is used for onsite engagements, i.e., where the IT services companies' clients are located. Post-covid, customers were open to having their work done offshore, which is in locations where IT services companies are located," said a Mumbai-based sell-side analyst on condition of anonymity.

"Therefore, subcontractor costs which were high when these IT companies would hire subcontractors to work in clients' onsite locations have now come down."

Samuel mirrored the analyst's opinions. "Contractors are significantly more expensive than internal resources and are usually onshore," he said.

"As firms seek to reduce cost, they look to replace contractors with their own staff, which is also often combined with moving more of the work to India or other offshore locations."

Krishna Vij, vice-president of IT staffing at TeamLease, a Bengaluru-based staffing firm, said IT services companies are also upskilling their workforce and reducing their dependence on consultants.

For an extended version of this story, go to [livemint.com](#)

60%
Employees' share of overall expense of an IT company

4-13%
Consultants' share of an IT firm's costs

New draft broadcasting bill raises concerns, confusion

Shouvik Das
shouvik.das@livemint.com
NEW DELHI



Union minister Ashwini Vaishnaw had in July said the draft was opened for public consultation for feedback and comments.

A new draft of the Broadcasting Services (Regulation) Bill, 2024, which is currently undergoing industry consultations, has raised both concerns and confusion among legal and policy stakeholders, as well as creators, on how speech and expression on the internet may be regulated.

At stake is not only the freedom of speech, but also conflicts around the liabilities that 'individuals' may face with such a law in its present form.

The new draft, a copy of which was seen by Mint, brings individuals, defined in the bill as 'digital news broadcasters', under the same umbrella of law as publications and broadcasters—which have, for long, had a set of responsibilities and code of conduct that were so far defined under the Cable Television Networks (Regulation) Act, 1995.

As a consequence of this, individuals posting "systematic" content that qualifies under news and current affairs are liable to be directly regulated by the Centre—a move that many consultants and stakeholders fear could undermine free speech in the world's largest democracy and one of the fastest-growing economies. Further, it may also create industry-wide confusion around whom the onus of content moderation lies with.

A senior consultant working with multiple top global technology firms in India said on conditions of anonymity, "We must be very careful on how legal overreach impacts innovation and public discourse. News and current affairs, which digital news broadcasters are

supposed to cover, if they come under the ambit of the broadcasting bill, can be very wide and far-reaching. The definition of 'systematic' content creators can also be ambiguous—at least in the present form; how do you categorically establish that a creator is voicing their opinion in an orchestrated manner? This is subjective."

To be sure, this is not the final version of the upcoming law for broadcasting—which will replace the outgoing Cable Television Networks (Regulation) Act, 1995. A public consultation phase is expected for the present draft. Following these consultations, the draft may undergo further change, after which the bill will be tabled in parliament.

The ambiguity of the definitions, said three tech policy consultants including the one cited above, must be improved upon in the long run. "If the Centre's intention is to ensure curbing of online abuse and misuse of a public platform to voice opinions, such definitions must be improved upon—which a public consultation process will vitally help," one of the three consultants said.

On 27 July, Union IT, information and broadcasting minister Ashwini Vaishnaw said in the Rajya Sabha that the draft was opened for public consultation "for feedback and comments." An emailed query to the ministry of information and broadcasting remained unanswered till press time.

Kazim Rizvi, founding director of public policy think-tank, The Dialogue, said that such a regulatory mechanism is "unprecedented"—which is the key factor that most of the industry has so far underlined. As such, the move could be detrimental to the overall creator economy. "Our present legal framework is robust enough to regulate online content. Modern-day content creation demands agile and nimble regulation, without reducing the volume and pace at which content is published and distributed. This ensures that the internet drives information at speed, which helps small businesses and internet entrepreneurs. This creator economy is generating employment through monetization on social media platforms, and is a growing industry—as of 2024, India, with around 100 million creators in the organised influencer marketing sector, may surpass ₹3,000 crore (\$350 million) in revenue this fiscal," Rizvi said.

For an extended version of this story, go to [livemint.com](#)

The draft brings digital news broadcasters under the same umbrella of law as publications and broadcasters

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CRP PO/MT-XIV and CRP SPL-XIV
COMMON RECRUITMENT PROCESS FOR RECRUITMENT OF PROBATIONARY OFFICERS/ MANAGEMENT TRAINEES (CRP PO/MT-XIV for Vacancies of 2025-26) AND RECRUITMENT OF SPECIALIST OFFICERS (CRP SPL-XIV for Vacancies of 2025-26) IN PARTICIPATING BANKS

Authorised Website: www.ibps.in
In case of queries / complaints please log in to <https://cgrs.ibps.in>

The Online Examination (Preliminary and Main) for the upcoming Common Recruitment Process (CRP) for Recruitment and Selection of Personnel for Probationary Officer/ Management Trainee posts, in the Participating Banks is tentatively scheduled in October 2024 and November 2024.

The Online Examination (Preliminary and Main) for the upcoming Common Recruitment Process (CRP) for Recruitment and Selection of Personnel in Specialist Officers' cadre posts in the Participating Banks is tentatively scheduled in November 2024 and December 2024. The tentative schedule of events is as follows:

Activity	PO/MT	Specialist Officers
On-line registration including Edit/Modification of Application by candidates	01.08.2024 to 21.08.2024	01.08.2024 to 21.08.2024
Payment of Application Fees/Intimation Charges (Online)	01.08.2024 to 21.08.2024	01.08.2024 to 21.08.2024
Conduct of Pre-Exam Training	September 2024	—
Online Examination – Preliminary	October 2024	November 2024
Result of Online exam – Preliminary	November 2024	November/December 2024
Online Examination – Main	November 2024	December 2024
Declaration of Result – Main Examination	December 2024/January 2025	January/February 2025
Conduct of interview	January/February 2025	February/March 2025
Provisional Allotment	April 2025	April 2025

* PET may be conducted either in Online Mode or Physical Mode
Candidates are advised to regularly visit the authorised IBPS website www.ibps.in for details and updates.
Before registering online, candidates are advised to read each detailed notification and follow the instructions mentioned therein.

Mumbai
Date: 01.08.2024

DIRECTOR

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(A Government of India Undertaking)

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ELECTRICAL	LABORATORY	FINANCE & ACCOUNTS
INSTRUMENTATION	TELECOM/TELEMETRY	BUSINESS ASSISTANCE

For details of grade wise no. of posts, disciplines, eligibility criteria, general conditions and instructions for filling the online application form, please visit 'CAREERS' section on GAIL website: www.gailonline.com from 1100 hours on 08.08.2024 to 1800 hours on 07.09.2024. ADVT. No.: GAIL/OPEN/MISC/1/2024

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HUMAN RESOURCES		

For details of grade wise no. of posts, disciplines, eligibility criteria, general conditions and instructions for filling the online application form, please visit 'CAREERS' section on GAIL website: www.gailonline.com from 1100 hours on 14.08.2024 to 1800 hours on 13.09.2024. ADVT. No.: GAIL/OPEN/SRD/1/2024

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NOTICE INVITING TENDER (NIT) August 5th, 2024

TP Northern Odisha Distribution Limited invites tender from eligible Bidders for the following:

Sl. No.	Tender Enquiry No.	Work Description
1	TPNODL/OT/2024-25/2500000753	Rate Contract for Revenue Collection Activity at PAN TPNODL

* MSMEs registered in the State of Odisha shall pay tender fee of Rs.1,000/- including GST.
** EMD is exempted for MSMEs registered in the State of Odisha.
For more details like bid due date, EMD, tender fee, bid opening date etc. of the Tenders, please visit "Tender" section TPNODL website <https://tpnodl.com>. All tenders will be available on TPNODL website. Future communication / corrigendum to tender documents, if any, shall be available on website.

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Iran says it wants to punish Israel but avoid all-out war

Bloomberg
feedback@livemint.com

Iran reiterated it wants to avoid all-out war with Israel, even as it threatened to retaliate for last week's assassination of a leading Hamas figure in its capital.

Tehran, which had already vowed revenge for the killing of Ismail Haniyeh, said it aimed to deter Israel from repeating similar moves. Israel has neither confirmed nor denied being responsible for his death. "Reinforcing stability and security in the region will be achieved by punishing the aggressor and creating deterrence against Israel and its adventurism," a spokesperson for Iran's foreign ministry told reporters on Monday in Tehran.

The Islamic Republic doesn't want to escalate tensions but has the right, within the framework of international law, to punish Israel, he added.

The comments come as Group of Seven and regional officials rush to avert a wider conflict.

G-7 members have reached out to Iran to try to ensure its retaliation isn't serious enough to spark a regional war, according to people familiar with the matter.

Jordan's foreign minister made a rare trip to Tehran over the weekend and Qatar, which has mediated between Iran and the US in the past, has also been in contact with the Islamic Republic, according to a person with knowledge of the matter.

Russian Security Council Secretary Sergei Shoigu, also visited Iran for talks with new President Masoud Pezeshkian and other officials on Monday. It was unclear if Shoigu, regarded as one of Russia's closest allies, urged Tehran to restrain its response to Israel.

Nasser Kanaani, the spokesperson for Iran's foreign ministry, warned of "consequences" for any country supporting



Haniyeh was killed hours after a deadly air strike in Beirut against Fuad Shukur. AFP

Israel, an apparent threat to the US and its allies as they rally to defend the Jewish state. General Michael Kurilla, head of Central Command, which oversees US forces in the Middle East, was in Israel on Monday for talks, an official briefed on the visit said. The Israeli shekel fell for sixth day to 3.83 per dollar as of 4:30pm, in Tel Aviv, its weakest level since November. Israeli stocks slid to their lowest since April, though that was also because of a global rout in equity markets.

Israel's in a "multi-front war against Iran's axis of evil," Prime Minister Benjamin Netanyahu said on Sunday. "We are striking every one of its arms with great force. We are prepared for any scenario—both offensively and defensively."

The US, which is moving a fighter jet squadron to the region and keeping an aircraft carrier nearby to help Israel, is pressing Netanyahu to redouble efforts to reach a cease-fire deal with Hamas over their war in Gaza. The US and Arab states believe an end to fighting in the Palestinian territory would calm the region.

G-7 foreign ministers spoke on Sunday about the risks of a regional war, US Secretary of State Antony Blinken said there was an "urgent need for de-escalation."

Haniyeh was killed just hours after a deadly air strike in Beirut against Fuad Shukur, a senior Hezbollah commander.

Small businesses make hard choices as insurance costs surge

Business owners rethink hiring and budgets as they confront higher premiums for health and other insurances

Ruth Simon
feedback@livemint.com

Small businesses are facing steep increases in insurance costs this year—and that is prompting them to make difficult decisions on how they run their operations.

Some businesses are raising prices. Others are adopting stricter screening for job candidates, stepping up workplace safety training and weighing changes to employee healthcare coverage—all in an effort to keep soaring premiums from climbing even higher.

At Jay-Hill Repairs, insurance premiums for health, auto and liability coverage jumped by an average of 20% this year, well above the 9% to 12% increase the company was expecting. To keep costs in check, the Fairfield, N.J., company switched health-insurance carriers and recently turned down three otherwise qualified job candidates with spotty driving records that could have resulted in higher auto-insurance costs.

Jay-Hill hired a consultant to look for ways to lower insurance costs in exchange for a percentage of the savings. A subpar driving record for a field technician "is a hard pass for us right now," said Alan Brundage, chief operating officer for the 57-person company, which supplies parts and does installation, maintenance and repair for commercial cooking and refrigeration equipment.

Rising health-insurance costs represent the greatest source of pain for small businesses, but many are also reporting double-digit increases in other common insurance products.

Roughly half of small-business owners said health-insurance costs increased by 10% or more this year, according to a survey of about 800 entrepreneurs conducted in June for *The Wall Street Journal*. Nearly one in 10 reported increases of 25% or higher. And more than 30% of small-business owners said they had seen increases of 10% or more for commercial auto, liability, or property and casualty coverage, according to the survey by Vantage Worldwide, a business-coaching and peer-advisory firm.

Soaring health costs
Health-insurance costs are rising at



Rising health-insurance costs represent the greatest source of pain for small businesses, but many are also reporting double-digit increases in other common insurance products.

the steepest rates in years, driven by higher labor costs and heavy demand for new and expensive diabetes and obesity drugs, among other factors.

Even before the latest increases, healthcare expenses accounted for nearly 12% of payroll expenses for firms with less than \$600,000 in revenue, according to a recent analysis by the JPMorgan Chase Institute, compared with 7% for small businesses with revenue greater than \$2.4 million. The study looked at small-business health insurance premium payments from 2018 to 2023.

The rise in insurance premiums is another burden for small-business owners who have struggled to pass on the cost of rising wages and higher materials costs to customers. With a standard insurance plan, the chief way businesses can lower costs is to opt for a smaller network of providers, raise deductibles or otherwise trim coverage, said Gary Claxton, a senior vice president with KFF, a health policy research organization.

At Advanced Valve & Instrument, a distributor of industrial valves in Statesboro, Ga., with 10 employees, health-insurance premiums increased by 20% this year. Advanced

purchases coverage through its local chamber of commerce. The company's finance chief, Mandy Bunting, said only three carriers offer what the company needs.

Some candidates for entry-level positions have turned down job offers because of high insurance costs, Bunting said. Advanced covers 50% of employees' individual health plans but can't afford to pay for health coverage for family members.

'A perfect storm'
Reducing coverage is a nonstarter for some small businesses, particularly in today's tight job market.

"We're competing with the government for the labor pool. I have no choice," said Shane Belcher, co-owner of Lyons Lumber, which owns three Ace Hardware stores, one with a lumber yard, and a fourth location that supplies outdoor power equipment. "Being a small company, we have to offer quality insurance if we want to attract quality people."

The Frankfurt, Ky., company began looking for new health-insurance coverage three months ago, after learning the price for its current policy was about to rise by 24%. Last year, the price increased by 17%.

Lyons covers nearly three-quarters of employee premiums.

The higher costs, coming as sales are starting to weaken, might push the company to operate with a smaller staff. Belcher said the company wouldn't lay off any workers, but it is dragging its feet on filling current job vacancies and might not fill all openings.

"It's kind of like a perfect storm," he said. "With rising costs and business slowing up a little bit, it could be disastrous if we're not careful."

Other types of insurance have grown more expensive for a variety of reasons, including the increased frequency of extreme weather events and the higher cost of repairing cars and trucks with more sophisticated features. The property-insurance bill for Reimer McGuinness Hess, a CPA and advisory firm in Houston, jumped by more than 40% this year when the company renewed coverage. The increase came despite the fact that the company now owns 40% less property, following the sale last year of two of its four buildings, said partner Randy Reimer. Houston has been battered by storms in recent years, including Hurricane Beryl last month. The firm is raising its prices by roughly 10% this year because of

increases in the cost of insurance, higher wages and other expenses.

In some industries, securing insurance can be difficult. At First Learning, an operator of 13 child-care centers based in Rochester, N.Y., liability insurance increased by 9% this year, well above the 3% to 4% annual increase the company had expected. Chief Executive David Kolczynski said he isn't complaining to his carrier because some child-care centers in other parts of the country have been dropped by their carriers.

"You are kind of stuck," said Kolczynski, who has roughly 300 employees. "If you get renewed, you don't really want to raise a lot of attention." First Learning raised child-care fees by 10% this year, double the rate of increase pre-pandemic, in response to rising wages and higher insurance costs.

Ekling out savings
Outdoor Venture Group, an operator of six recreational facilities with zip lines and treetop climbing trails, dipped into its cash reserves after the company's insurer stopped covering its Long Island, N.Y., location. To keep the insurance in place, the company, based in Fairfield, Conn., agreed to cover the first \$25,000 in claims and provide a \$100,000 deposit that could be used to cover initial payouts. That means the company will be covering initial losses.

Chief Executive Bahman Azarm said he has put off plans to add climbing attractions for 3- to 6-year-olds at other locations, in part because of the additional insurance costs. At Jay-Hill, the commercial cooking and refrigeration equipment repair company looking to hire safer drivers, the COO now speaks to his insurer once a month. The 52-year-old company added two questions related to workplace safety to its initial phone screens with job candidates. It has also stepped up safety-awareness meetings, known as "toolbox talks," and other worker safety training, Brundage said. He is keeping his insurer apprised, hoping the moves can help squeeze out a bit of cost savings.

"If you are not going to put in the due diligence, you are going to have to grin and bear it," he said.

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Jubilant Ingrevia Limited
(CIN: L24299UP2019PLC122657)
Registered Office: Bhartiagram, Gajraula, District Amroha-244 223, Uttar Pradesh, India
E-mail: investors.ingrevia@jubl.com; Website: www.jubilantingrevia.com
Phone: +91-5924-267437

INFORMATION REGARDING 5th ANNUAL GENERAL MEETING OF JUBILANT INGREVIA LIMITED

In compliance with the applicable provisions of the Companies Act, 2013 (the 'Act') and rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with circulars issued by the Ministry of Corporate Affairs ('MCA Circulars') and circulars issued by the Securities and Exchange Board of India ('SEBI Circulars'), the 5th Annual General Meeting ('AGM') of the Members of **Jubilant Ingrevia Limited** will be held on **Friday, August 30, 2024 at 3:00 P.M. (IST)** through Video Conferencing ('VC')/ Other Audio Visual Means ('OAVM') to transact the business that will be set forth in the Notice of AGM. Members attending the AGM through VC / OAVM shall be reckoned for the purpose of quorum under Section 103 of the Act.

In accordance with the MCA and SEBI Circulars, the Notice of AGM and the Financial Statements for the Financial Year 2023-24 along with Reports of the Board of Directors and the Auditors and other documents required to be attached thereto (collectively referred as 'Annual Report') will be sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depository Participants (DPs). The aforesaid documents will also be available on the website of the Company at www.jubilantingrevia.com and at the websites of the Stock Exchanges, i.e. BSE Limited www.bseindia.com and National Stock Exchange of India Limited www.nseindia.com. Further, members can join and participate in the AGM through VC/ OAVM facility only. The instructions for joining and manner of participation in the AGM has been provided in the Notice of the AGM.

Process for registration of E-mail IDs is given below for those shareholders whose E-mail IDs are not registered:

- In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investors.ingrevia@jubl.com or rt@alankit.com.
- In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investors.ingrevia@jubl.com or rt@alankit.com.

The Company is providing remote e-voting facility to all its members to cast their votes on the resolutions set out in the Notice of the AGM. Additionally, the Company is also providing the facility of voting through e-voting system during the AGM. Detailed procedure for casting votes through remote e-voting/ e-voting has been provided in the Notice of the AGM.

The Board of Directors of the Company has at its meeting held on May 14, 2024, recommended payment of final dividend of Rs. 2.50 per Equity Share for the Financial Year ended March 31, 2024, subject to approval of Members at the AGM. The dividend, if approved by the Members, will be paid to the Members holding Equity Shares of the Company, either in electronic or in physical form as on the record date, i.e. August 2, 2024 for determining eligibility of Members to receive the dividend.

Members holding Equity Shares of the Company in demat form and who have not registered their Bank details are requested to approach their respective Depository Participant to register their Bank account details. The Members holding Equity Shares of the Company in physical form and who have not registered their Bank details may register their Bank details by sending email to investors.ingrevia@jubl.com or rt@alankit.com.

For **Jubilant Ingrevia Limited**
Sd/-
Deepanjali Gulati
Company Secretary

Date: August 05, 2024
Place: Noida

INDUS TOWERS LIMITED
(CIN: L64201HR2006PLC073821)
Regd. Office: Building No. 10, Tower A, 4th Floor, DLF Cyber City, Gurugram-122002, Haryana
Tel: +91-124-4296766, Fax: +91-124-4289333
Email id: compliance.officer@industowers.com Website: www.industowers.com

INFORMATION REGARDING 18th ANNUAL GENERAL MEETING OF INDUS TOWERS LIMITED

The 18th Annual General Meeting ('AGM') of Indus Towers Limited ('Company') will be held through Video Conferencing ('VC')/ Other Audio Visual Means ('OAVM') on Thursday, August 29, 2024 at 03:30 P.M. (IST) to transact the business as are set forth in the Notice of AGM ('Notice') dated Tuesday, July 30, 2024, in compliance with the applicable provisions of the Companies Act, 2013, Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 19/2021 dated December 08, 2021, General Circular No. 21/2021 dated December 14, 2021, General Circular No. 02/2022 dated May 05, 2022, General Circular No. 10/2022 dated December 28, 2022, General Circular No. 09/2023 dated September 25, 2023 and other applicable circulars issued by Ministry of Corporate Affairs ('MCA Circulars') and Circular No. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated May 12, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated May 13, 2022, Circular No. SEBI/HO/CFD/POD-2/P/2023/4 dated January 5, 2023 and Circular No. SEBI/HO/CFD/CFD-POD-2/P/ CIR/2023/167 dated October 07, 2023 issued by the Securities and Exchange Board of India ('SEBI Circulars').

In accordance with the MCA Circulars and the SEBI Circulars, the Notice and Integrated Report & Financial Statements 2023-24 ('Integrated Report') will be sent through electronic mode to those Members whose email IDs are registered with the Company/ Depository Participants (DPs) as on Friday, August 02, 2024 and the hard copy of the full Integrated Report will be sent to those shareholders who will request for same. The Notice and Integrated Report will also be available on the website of the Company at www.industowers.com/, on the website of National Securities Depository Limited ('NSDL') at www.evoting.nsdl.com and on the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively. Further, the Members can join and participate in the AGM through VC/ OAVM facility only. The instructions for joining and manner of participation in the AGM will be provided in the Notice. Members attending AGM through VC/ OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

The Members holding shares in physical form who have not registered their email address with the Company are requested to register the same by following the procedure specified in the Notice, i.e. through submitting the requisite Form ISR-1 along with the supporting documents. Form ISR-1 is available at <https://ris.kfintech.com/clientervices/isc/default.aspx> and www.industowers.com and detailed FAQs on the same are available at <https://ris.kfintech.com/faq.html>. The Members holding shares in dematerialized form are requested to register/ update their email addresses with their relevant DPs.

The Company will provide remote e-voting facility to all the Members to cast their votes on the resolutions set forth in the Notice. Additionally, the Company will also provide the facility of voting through e-voting system during the AGM. The detailed procedure for casting votes through remote e-voting/ e-voting at the AGM, including the manner in which Members holding shares in physical form or who have not registered their email addresses can cast their vote through remote e-voting/ e-voting at the AGM, as per the process provided in the Notice.

This advertisement is being issued for the information and benefit of all the Members of the Company in compliance with the MCA Circulars and the SEBI Circulars.

For **Indus Towers Limited**
Sd/-
Samidhi Rodhe
Company Secretary & Compliance Officer

Place: Gurugram
Date: August 05, 2024

Bitcoin plunges, Ether has worst drop since 2021 as crypto sinks

Bloomberg
feedback@livemint.com

Cryptocurrencies reeled from a bout of risk aversion in global markets on Monday, at one point sending Bitcoin down more than 16% and saddling second-ranked Ether with the steepest fall since 2021.

Top token Bitcoin traded 8% lower at \$54,653 as of 11.36am in New York, adding to a 13.1% drop last week that was the worst since the period when the FTX exchange imploded. Ether shed over a fifth of its value before paring some of the slide to change hands at \$2,440. Most major coins nursed losses.

Crypto-related stocks tumbled before paring losses. Coinbase Global Inc., the largest US exchange, fell more than 20% at one point, Bitcoin proxy MicroStrategy Inc. plunged almost 30% at its lowest level of the day, and miners Marathon Digital Holdings Inc. and Riot Platforms Inc., slumped as much as 20% and 15%, respectively.

The declines come as a global stock selloff intensifies, reflecting concerns about the economic outlook and questions over whether heavy investment into artificial intelligence will live up to the hype surrounding the technology. Geopolitical tension is rising in the Middle East, adding to investor skittishness.

Total liquidation in bets on crypto was about \$1.2 billion in the past 24 hours, one of the largest since early March this year with \$922 million and \$183 million in bullish and short positions respectively,



The Bitcoin retreat at its nadir on Monday left it at levels last seen in February. BLOOMBERG

according to Coinglass.

US exchange-traded funds for Bitcoin suffered their largest outflows in about three months on 2 August. One question is whether the products will attract dip buyers when they resume trading, or witness a deeper ebb.

Overall, Bitcoin and Ether investment products saw outflows of \$400 million and \$146 million, respectively, in the week ended Aug. 3, according to CoinShares Ltd. data. Digital assets are a victim in part of the unwinding yen carry trade, as speculators adjust to higher interest rates in Japan, according to Hayden Hughes, head of crypto investments at family office Evergreen Growth.

"Those investors are also fighting a drastic increase in hedging costs based on the volatility in the US dollar-Japanese yen trading pair," Hughes said.

Bitcoin has been buffeted by a range of factors since hitting a record of \$73,798 in March. That includes US political flux

as pro-crypto Republican Donald Trump and Democratic opponent Vice President Kamala Harris—who has yet to detail a digital-asset policy stance—lock horns in the presidential race.

Also hanging over the market are possible sales of Bitcoin seized by governments and the risk of a supply overhang from tokens returned to creditors through bankruptcy proceedings.

Bond traders have amplified bets on US interest-rate cuts beginning in September to support economic expansion. The prospect of less restrictive monetary policy is actually "a good thing for crypto," argued Sean Farrell, head of digital-asset strategy at Fundstrat Global Advisors LLC.

The Bitcoin retreat at its nadir on Monday left the token at levels last seen in February. Ether, meanwhile, earlier fell back to prices previously seen at the turn of the year.

Similar to Bitcoin, one unknown is how investors in new US spot-Ether ETFs will react.

Justin D'Anethan, head of Asia-Pacific business development at market maker Keyrock, said the crypto rout appeared somewhat Ether-led, flagging social-media rumors of institutional-selling of Ether-related assets.

Khushboo Khullar, a venture partner at Lightning Ventures, which invests in Bitcoin-linked companies, said the broad stock slump had caused some "panic," spurring investors to rush for liquidity to settle margin calls. She argued the crypto retreat is a "fine buying opportunity."

Jubilant Pharmova Limited
(CIN: L24116UP1978PLC004624)
Registered Office: Bhartiagram, Gajraula, District Amroha - 244 223, Uttar Pradesh, India
E-mail: investors@jubl.com; Website: www.jubilantpharmova.com
Phone: +91-5924-267437

INFORMATION REGARDING 46TH ANNUAL GENERAL MEETING OF JUBILANT PHARMOVA LIMITED

In compliance with the applicable provisions of the Companies Act, 2013 (the 'Act') and rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with circulars dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021, December 14, 2021, May 5, 2022 and September 25, 2023 issued by the Ministry of Corporate Affairs ('MCA Circulars') and circular dated May 12, 2020, and subsequent circulars issued from time to time, the latest one being SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 issued by the Securities and Exchange Board of India ('SEBI Circulars'), the 46th Annual General Meeting ('AGM') of the Members of **Jubilant Pharmova Limited** will be held on **Friday, August 30, 2024 at 11:00 A.M.** (IST) through Video Conferencing ('VC')/ Other Audio Visual Means ('OAVM') to transact the business that will be set forth in the Notice of AGM. Members attending the AGM through VC / OAVM shall be reckoned for the purpose of quorum under Section 103 of the Act.

In accordance with the MCA Circulars and SEBI Circulars, the Notice of AGM and the Financial Statements for the Financial Year 2023-24 along with Reports of the Board of Directors and the Auditors and other documents required to be attached thereto (collectively referred as 'Annual Report') will be sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depository Participants (DPs). The aforesaid documents will also be available on the website of the Company at www.jubilantpharmova.com and at the websites of the Stock Exchanges, i.e. BSE Limited www.bseindia.com and National Stock Exchange of India Limited www.nseindia.com. Further, members can join and participate in the AGM through VC/ OAVM facility only. The instructions for joining and manner of participation in the AGM has been provided in the Notice of the AGM.

Process for registration of E-mail IDs is given below for those shareholders whose E-mail IDs are not registered:

- In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investors@jubl.com or rt@alankit.com.
- In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investors@jubl.com or rt@alankit.com.

The Company is providing remote e-voting facility to all its members to cast their votes on the resolutions set out in the Notice of the AGM. Additionally, the Company is also providing the facility of voting through e-voting system during the AGM. Detailed procedure for casting votes through remote e-voting/ e-voting has been provided in the Notice of the AGM.

The Board of Directors of the Company has at its meeting held on May 29, 2024, recommended payment of dividend of Rs. 5 per Equity Share for the Financial Year ended March 31, 2024, subject to approval of Members at the AGM. The dividend, if approved by the Members, will be paid to the Members holding Equity Shares of the Company, either in electronic or in physical form as on the record date, i.e. August 2, 2024 for determining eligibility of Members to receive the dividend.

Pursuant to the provisions of the Income-Tax Act, 1961 ('the Act'), the Company will be required to withhold taxes at the prescribed rates on the dividend paid to its shareholders. The TDS rate may vary depending on the residential status of the shareholder and the documents submitted to the Company in accordance with the provisions of the Income Tax Act, 1961. The dividend for the FY 2023-24 is subject to declaration by Members at the AGM. Upon declaration, the dividend will be taxable in the hands of the shareholders in the FY 2024-25 (Assessment Year 2025-26). Accordingly, all the details and declarations are required to be furnished for FY 2024-25 (Assessment Year 2025-26). The rate of TDS for various categories of shareholders along with the requisite documents are available on the website of the Company at www.jubilantpharmova.com.

Please note that the aforesaid documents, duly executed, could be sent to the Company as under:

- Executed documents can be sent through email investors@jubl.com;
- Executed documents (in original) can be sent directly at the Corporate Office of the Company at Plot 1A, Sector 16A, Noida-201301, Uttar Pradesh.

The aforesaid executed documents must reach the Company on or before August 20, 2024 in order to enable the Company to determine and deduct appropriate TDS/withholding tax on the payment of dividend. It is to be duly noted that Members sending documents through email are also required to send the executed documents (in original) at the Corporate Office of the Company.

Members holding Equity Shares of the Company in demat form and who have not registered their Bank details are requested to approach their respective Depository Participant to register their Bank account details. The Members holding Equity Shares of the Company in physical form and who have not registered their Bank details may register their Bank details by sending email to investors@jubl.com or rt@alankit.com.

For Jubilant Pharmova Limited
Sd/-
Naresh Kapoor
Company Secretary
Membership No.: A11782

Date: August 5, 2024
Place: Noida

Bhilwara Spinners Limited
CIN: L117115 RJ 1980 PCL008217
Regd. Off.: 26, Industrial Area, Bhilwara - 311 001 (Rajasthan)

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2024 (Rs. in Lacs)

Particulars	Quarter Ended	Year Ended
	30.06.2024 Unaudited	31.3.2024 Audited
Total income from Operation (net)	1208.5	940.24
Other Income	2.61	14.94
Exceptional Items	67.04	150.33
Net Profit (+)/Loss(-) from Ordinary Activities	140.88	59.18
Net Profit (+)/Loss(-) after Exceptional income & tax	166.46	173.29
Paid-up equity share capital (Face Value of the Share Rs. 10/- per share)	905.36	905.36
Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	3452.5
Earning per share from Ordinary Activities	1.56	0.85
Earning per share After Exceptional income & Tax	1.84	1.91
Diluted EPS before & after Extraordinary items for the period, for the year to date and for the previous year (not annualized)	-	2.36

Note:
The above is an extract of the detailed format of financial result for the quarter/year ended 30th June 2024 filed with the stock Exchange under regulation 33 of SEBI (Listing and other Disclosure Requirements) Regulations 2015. The full format of the financial results are available on the stock Exchanges websites www.bseindia.com and Company's website www.bhilspin.com.

By order of the Board
for Bhilwara Spinners Limited
SUSHILA KOTHARI
Director
DIN: 00132802

Date: 05th August, 2024
Place: Bhilwara (Rajasthan)

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How to apply: Interested candidates can apply online through the link available on <https://www.fsib.org.in/> under the "Vacancies & Recommendations" tab or directly at <https://www.research.net/r/mdceopnb2024>

Last date of receipt of application: 5:00 pm on 29-August-2024

Note: Further details including corrigendum, if any, shall be published only on the Bureau's website.

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CIN: L74899HR1995PLC095967
Registered Office: Airtel Center, Plot no. 16, Udyog Vihar, Phase IV, Gurugram - 122015, India
T: +91-124-4222222, F: +91-124-4248063
Email id: compliance.officer@bharti.in

I. Audited Consolidated Financial Results for the quarter ended June 30, 2024 (Rs. Millions; except per share data)

S. No.	Particulars	Quarter ended		Previous Year ended
		June 30, 2024	June 30, 2023	March 31, 2024
		Audited	Audited	Audited
1.	Revenue from operations	385,064	374,400	1,499,824
2.	Net profit for the period (before exceptional items and tax)	52,903	52,692	202,513
3.	Net profit for the period before tax (after exceptional items)	60,253	18,529	126,790
4.	Net profit for the period after tax (after exceptional items)	47,175	15,202	85,580
5.	Total comprehensive income / (loss) for the period	47,051	(34,099)	(14,398)
6.	Paid-up equity share capital (Face value : Rs. 5/- each)	28,945	28,397	28,766
7.	Other equity	854,122	740,270	791,422
8.	Earnings per share (Face value: Rs. 5/- each)			
	a) Basic	7.21	2.84	13.09
	b) Diluted	6.98	2.79	12.80

II. Audited Standalone Financial Results for the quarter ended June 30, 2024 (Rs. Millions)

S. No.	Particulars	Quarter ended		Previous Year ended
		June 30, 2024	June 30, 2023	March 31, 2024
		Audited	Audited	Audited
1.	Revenue from operations	249,171	226,507	941,198
2.	Net profit for the period before tax (after exceptional items)	30,024	19,369	71,161
3.	Net profit / (loss) for the period after tax (after exceptional items)	24,692	14,569	49,882

Note:
The above are extract of the detailed format of Audited Financial Results (Consolidated and Standalone) for the quarter ended June 30, 2024 filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations'). The full format of the quarterly financial results, including disclosure under Regulation 52 of Listing Regulations, are available on the website of stock exchanges (www.nseindia.com and www.bseindia.com) and on the Company's website (www.airtel.in).

Please scan the below QR code to view the full financial results:

For Bharti Airtel Limited
Sd/-
Gopal Vittal
Managing Director & CEO
DIN: 02291778

Place : New Delhi
Date : August 05, 2024

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(R-35) Dy. GM (Personnel/HOD (EE),NCL, Singrauli

Bharti Hexacom Limited
(CIN: L74899DL1995PLC067527)
Registered Office : Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110 070, India
T: + 91-11-4666 6100
Email id: bhartihexacom@bharti.in, Website: www.bhartihexacom.in

Audited Financial Results for the quarter ended June 30, 2024 (Rs. Millions; except per share data)

S. No.	Particulars	Quarter ended		Previous year ended
		June 30, 2024	June 30, 2023	March 31, 2024
		Audited	Audited	Audited
1.	Revenue from operations	19,106	16,817	70,888
2.	Net profit for the period (before exceptional items and tax)	2,585	3,418	12,263
3.	Net profit for the period before tax (after exceptional items)	5,768	3,418	9,233
4.	Net profit for the period after tax (after exceptional items)	5,112	2,532	5,044
5.	Total comprehensive income for the period	5,108	2,527	5,042
6.	Paid-up equity share capital (Face value : Rs. 5/- each)	2,500	2,500	2,500
7.	Other equity	48,995	42,122	43,887
8.	Earnings per share (Face value: Rs. 5/- each)			
	a) Basic :	10.22	5.06	10.09
	b) Diluted :	10.22	5.06	10.09

Note:
a) The above is an extract of the detailed format of Audited Financial Results for the quarter ended June 30, 2024 filed with the Stock Exchanges under Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time). The full format of the quarterly financial results are available on the website of stock exchanges (www.nseindia.com and www.bseindia.com) and on the Company's website (www.bhartihexacom.in).

b) For the other line items referred in regulation 52(4) of the Listing Regulations, pertinent disclosures have been made to the Stock Exchange(s) (BSE Limited and National Stock Exchange of India Limited) and can be accessed on the URL (www.nseindia.com and www.bseindia.com). Please scan the below QR code to view the full financial results:

For Bharti Hexacom Limited
Sd/-
Jagdish Saksena Deepak
Director
DIN: 02194470

Place : New Delhi
Date : August 05, 2024

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India will have to perforce engage in some amount of reworking of its Bangladesh strategy. PTI

Bangladesh PM Sheikh Hasina resigns after weeks of protests

Stir against quota system for govt jobs descended into violence, grew into a broader challenge to 15-year rule

India used to Asian changes, to rework ties with Dhaka

Elizabeth Roche
feedback@livemint.com
NEW DELHI

Monday, 5 August, 2024, was a day of fast-moving and dramatic developments in India's eastern neighbour Bangladesh. Sheikh Hasina, the daughter of the country's independence leader and Father of the Nation—"Bangabandhu" Sheikh Mujibur Rahman—was forced out of office by protesters, mainly students.

She was elected to office in December 2008 and had been in power since.

Hasina's resignation came on the back of protests by students in Bangladesh—a country with which India shares a 4,096-kilometre border, the longest among its neighbours.

Bangladesh is India's closest partner in South Asia. Since 2009, India has invested a great deal in Bangladesh and its people—with money, resources and diplomatic capital.

The idea has been to create a constituency favourable to India among the local populace. Visa liberalization allowing more Bangladeshis to visit India for medical treatment and business has been part of this strategy.

Overall, India has been very supportive of Hasina over decades. In 1975, when most of her family was killed by a group of Bangladeshi army personnel, Hasina and her sister Sheikh Rehana were safely escorted from then West Germany to India. They then lived in New Delhi for almost a decade. News reports said Hasina could seek asylum in the UK.

Since Hasina was elected PM in 2008, New Delhi has invested majorly in cultivating ties. The two countries in fact have described the present period of bilateral ties as "Sonali Adhyay" or the "Golden Era" in relations.

One of Hasina's first actions towards India soon after taking office was handing over several wanted insurgents belonging

to the outlawed United Liberation Front of Asom (ULFA). Prior to this, ULFA insurgents had set up bases in Bangladesh and used those to launch attacks in India.

According to news reports, the new interim government could be a coalition between the BNP and the Jammāt-e-Islami with the latter seen espousing radical Islamist ideologies. While cultivating ties with Hasina, New Delhi has been in touch with the BNP. Indian Prime Minister Narendra Modi met BNP leader Khaleda Zia during a visit to Bangladesh in 2015. And India maintains close ties with the Bangladeshi armed forces. Former Indian army chief Manoj Pande visited Dhaka last year and Indian naval ships make regular calls at ports in Bangladesh.

A stable and economically prosperous Bangladesh is key for India to develop its far-flung northeastern region. India has been pushing for greater rail,

road and energy linkages among Bangladesh, Bhutan, northeast India and Nepal. On its part, Bangladesh under Hasina had given India access to Chattogram and Mongla ports for transit and trans-shipment of cargo vessels.

Hasina had been careful not to upset India while seeking financial help from China. But Beijing is known to have close ties with the BNP, while Pakistan is believed to have ties with the Jammāt. Given its multiple stakes in Bangladesh, New Delhi is expected to adopt a wait and watch approach. India is no stranger to regime changes in its neighbourhood and is capable of handling any issue that crop up.

Any government in Dhaka cannot afford to ignore India given its size and economy. But New Delhi will have to perforce engage in some amount of reworking of its Bangladesh strategy in the coming days and months.

Elizabeth Roche is associate professor, OP Jindal Global University, Haryana.

AP
feedback@livemint.com
DHAKA, BANGLADESH

Bangladesh's prime minister resigned and fled the country Monday, after weeks of protests against a quota system for government jobs descended into violence and grew into a broader challenge to her 15-year rule. Thousands of demonstrators stormed her official residence and other buildings associated with her party and family.

Prime Minister Sheikh Hasina's departure threatens to create even more instability in the nation on India's border already dealing with a series of crises, from high unemployment and corruption to climate change. Amid security concerns, the capital's main airport suspended operations.

After the embattled leader was seen on TV boarding a military helicopter with her sister, the country's military chief, General Waker-uz-Zaman, sought to reassure a jittery nation that order would be restored. He said he met with opposition politicians and civil society leaders and would seek the president's guidance on forming an interim government.

He promised that the military would launch an investigation into the deadly crackdown on student-led protests that fuelled outrage against the government. He added that he ordered security forces not to fire on crowds.

"Keep faith in the military, we will investigate all the killings and punish the responsible," he said.

But even after he spoke, people continued to pour into and out of Hasina's official residence, taking furniture and pulling raw fish from the refrigerators.



Sheikh Hasina landed in a city in India on the border with Bangladesh, according to a military official. AFP

Crowds also ransacked Hasina's family's ancestral home-turned-museum where her father was assassinated, as well as the house of the country's chief justice and Hasina's previous personal home in Dhaka, the capital. They torched two major offices of the ruling party.

Elsewhere, protests were peaceful, and thousands gathered Monday evening outside the presidential palace, where the military chief, opposition politicians and the country's figurehead president met.

Hasina, meanwhile, landed in a city in India on the border with Bangladesh, according to a military official who spoke on condition of anonymity because he was not authorized to release the information to the media.

It was not clear where she would go next.

The protests began peacefully last month as frustrated students demanded an end to a quota system for government jobs that they said favoured those with connections to the prime minister's Awami League party, but the demonstrations then morphed into an unprecedented challenge to Hasina and the party.

The 76-year-old—who was the longest-serving female head of government—was elected for a fourth consecutive term in a January vote that was boycotted by her main opponents. Thousands of opposition members were jailed in the lead-up to the polls, and the US and the UK denounced the result as not credible,

though the government defended it.

Hasina had cultivated ties with powerful countries, including both India and China. But under her, relations with US and other Western nations have come under strain, as they have expressed concerns over human rights violations and press freedoms in the predominantly Muslim nation of 170 million people.

Her political opponents have previously accused her of growing increasingly autocratic and have blamed the unrest on that authoritarian streak.

The protests continued even after the Supreme Court last month ruled that the quota system—which set aside up to 30% of government jobs for family members of veterans who

Army chief Waker-Uz-Zaman takes charge following Hasina ouster

AFP
feedback@livemint.com
DHAKA

Bangladesh army chief Waker-Uz-Zaman spent nearly four decades rising to the top of the military and said on Monday he was "taking full responsibility" after Prime Minister Sheikh Hasina was ousted and fled.

Bedecked with medal ribbons on his green fatigues and wearing a four-star general's cap, Waker said 76-year-old Hasina had quit and that the army would "form an interim government".

"I give you my word that all the injustices will be addressed," the career infantry

officer said in a broadcast to the nation on state television, although it was not immediately clear if he would head the new government.

"The country has suffered a lot, the economy has been hit, many people have been killed—it is time to stop the violence."

The mild-looking, bespectacled officer was appointed as chief of army staff, the military's top job, only in June. Hasina had trusted him because he was a distant relative. The experienced soldier has served as a UN peacekeeper as well as in Hasina's office.

His father-in-law was army chief during the first of Hasina's five terms as prime minister



Sheikh Hasina fled by helicopter as protesters stormed her palace. AFP

from 1996-2001. The military declared an emergency in January 2007 after widespread political unrest and installed a caretaker

government for two years.

Hasina then ruled Bangladesh from 2009 and won her fourth consecutive election in January after a vote without genuine opposition.

As protesters stormed Hasina's palace on Monday and she fled by helicopter, Waker said he would speak to the president to form a government.

He vowed that the new authorities would "prosecute all murders" following weeks of deadly protests.

The army was deployed on the streets to crush the protests last month but shifted on Sunday and in several instances allowed demonstrations to go on.

Waker said he had held talks

with the main opposition parties and civil society members, although not with Hasina's Awami League.

"All of us together will forge a beautiful future," he said. "If we work together, we can achieve a favourable outcome".

The Bangladesh Military Academy graduate, who served two tours as a UN peacekeeper in Angola and Liberia, called for the weeks of protests to stop.

At least 300 people were killed in the unrest.

"If the situation gets better, there is no need for emergency," he said.

Waker appealed to the university students who first launched protests in early July to support the army. The pro-

tests were initially against government hiring rules but spiralled into demands for Hasina to leave office.

"Now the task of the students is to keep calm and help us," he said.

Waker, who Bangladesh media say is aged 57 or 58, also received officer training in Britain.

Married with two daughters, he holds master's degrees in defence studies from Bangladesh's National University and King's College London.

He was commissioned in 1985, also serving as an instructor at the army's college for infantry and tactics and at Bangladesh's institute for peace support operations.

Burgers, botox and Birkins: Consumer pullback hits China and US

Natasha Khan & Theo Francis

Midway through the year, leaders of some of the biggest companies are seeing signs of troubles in the world's two biggest economies.

From McDonald's to Mercedes-Benz, executives are saying that many consumers in China and the U.S. are pulling back on spending. The reasons are different. In China, demand is being drained by a broken housing market, wage pressures and worries about a darkening economic storm.

In the U.S., some households, especially those with lower incomes, are feeling pinched after a run of high inflation. The Labor Department reported that hiring slowed in July and the U.S. unemployment rate ticked up to 4.3%.

"With a large chunk of world consumer spending under pressure, companies now need to be more creative about avenues to generate revenue growth," said Gregory Daco, chief economist at Ernst & Young.

If consumers in the U.S. do falter, it would mean a double whammy for multinational companies, which have been confronting weak demand in China for several quarters.

As they report second-quarter results, a parade of companies have warned of softening sales and lowered their earnings forecasts, citing troubles in both countries.

So far, corporate profits have held up, propped up in part by stock buybacks. Overall, year-over-year growth in second-quarter earnings

per share for the S&P 500 is on track for 12.4% on revenue growth of 4.9%, according to estimates from financial-data provider LSEG.

Appetites wane
PepsiCo sounded an early alarm on consumer spending in both the U.S. and China. For the past few years as prices soared, many consumers kept buying Doritos and Lay's while forgoing bigger splurges like restaurant meals or travel. Now they are giving up potato chips, too, PepsiCo said. The company's Frito-Lay North

America business reported a 4% drop in sales volume in the latest quarter.

In China, meanwhile, people are becoming increasingly wary about spending money, said Ramon Laguarta, PepsiCo's chief executive. "The consumer is clearly saving—saving more than spending," he said on a July 11 call with analysts.

Shares in Heineken sank 10% July 29 after the Dutch brewer reported weaker-than-expected earnings and wrote down the value of a big investment in China. Shares fell for Procter & Gamble the following day, after the maker of Tide detergent and Charmin toilet paper reported an unexpected 7% decline in earnings.

P&G said price hikes had slowed to just 1% globally, while sales from China's recent 618 shopping festival, an annual online shopping event, suggested that consumers there were spending less even with significant discounts from retailers.

"I've said many times: This will not be a straight line," P&G CEO Jon Moeller said. "There's still more work to do to continue improving areas in



McDonald's said a slowdown in visits by lower-income consumers in the U.S. has deepened and widened. BLOOMBERG

our control, which will be needed to offset the headwinds that are largely not in our control."

Although inflation measures are moderating in the U.S., many consumers are feeling the cumulative impact of years of rising prices for essentials like groceries and menstrual products. High borrowing costs and sharp increases in insurance costs are putting further pressure on household budgets.

McDonald's reported a slowdown in visits by lower-income consumers, a trend

that the company said began last year and has deepened across the U.S. The burger giant reported a nearly 1% drop in same-store sales in the June quarter, the first such decline since 2020.

China's doldrums
Inflation isn't a problem in China, where companies have struggled to raise prices for several years due to weak demand. Instead, economists said, Chinese spending is slowing because people are saving income to protect themselves in case of future hardship as they face a pro-

found property slump and worries about where the economy is headed.

"U.S. households can look forward to lower interest rates in future," said Mark Williams, chief Asia economist at Capital Economics. "China's government has promised to do more to support consumers but there's nothing in the pipeline suggesting that much of a turnaround is likely."

China's retail sales growth, a gauge of consumption, slowed to 2% year over year in June from 3.7% in May. Chinese leaders said July 30 they would take more aggressive steps to boost consumer spending.

Botox maker AbbVie said headwinds in China hurt sales for its aesthetic pharmaceuticals division in the June quarter, and lowered its outlook for those products in both the U.S. and in China. Starbucks said that its U.S. same-store sales declined 2% in its June quarter, the second consecutive decline. And in China, its same-store sales fell

14% as the coffee chain faced heightened competition from lower-cost rivals.

General Motors said strength in the U.S. market was offset by further erosion in China, where it lost money for the second straight quarter amid stiff competition from homegrown brands. Mercedes-Benz and Porsche both flagged a tougher environment and fiercer competition in China.

Apple, too, is facing inroads from a Chinese champion, smartphone maker Huawei. The iPhone maker's revenue in the greater

China region, its third-biggest market, fell more than 6% in the June quarter from the prior year.

But not all Western companies are reporting a slowdown in the country. Domino's Pizza says it still sees the country as an opportunity; its Chinese franchisee plans to open its 1,000th store there this year. "The China stores, they've actually put out releases talk-

ing about their new store openings and the kind of record sales they're generating over there," Sandeep Reddy, the restaurant chain's chief financial officer, said on an earnings call. "So, very exciting to see the growth coming from China."

Luxury loses some luster
China has propelled the growth of some of the world's most upscale labels. Now their prospects are tied to China's.

Richemont, the owner of Cartier, reported a 27% drop in sales in China, Hong Kong and Macau. Birkin handbag maker Hermès said sales growth momentum continued across all regions except for Asia.

In the U.S.—a market that was once a driver of its post-pandemic boom—sales rose just 2%. LVMH said inflation and higher interest rates have eaten into the purchasing power of its aspirational customers in the U.S.

"This is not nice," Jean-Jacques Guiony, LVMH's finance chief, said on a call with analysts. "Some brands, particularly in the U.S., are paying the price for this situation."

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NEWS NUMBERS

70

THE AGE at which 62-year-old Gautam Adani, Asia's second richest man, plans to step down, handing over the reins of his business group to his sons and nephews

25%

THE CHANCES of the US getting into a recession next year, according to Goldman Sachs, increasing the probability from 15% after disappointing jobs data

100

THE NUMBER of people killed in the violent clashes in Bangladesh on Sunday, a day before Prime Minister Sheikh Hasina resigned and fled the country

₹2,643 cr

THE REVENUE from operations reported by FMCG major Marico in the first quarter of FY25, up 6.7% from ₹2,477 crore in the same period, led by the domestic market

60.3

INDIA'S SERVICES Purchasing Managers' Index, an indicator of services sector growth compiled by S&P Global, in July 2024, down from 60.5 a month ago

HOWINDIALIVES.COM

ADIF moves CCI against Google

The Alliance of Digital India Foundation (ADIF) on Monday said it has filed a complaint with the Competition Commission of India (CCI) against tech giant Google's alleged anti-competitive practices in online advertising. ADIF challenged Google's dominant position and "purportedly abusive behaviour" in the online search advertisement and online display advertisement markets. Google's dominance over major online platforms and its reliance on advertising for the majority of its revenue hinders competition and negatively impacts Indian businesses, a statement by ADIF said. Queries sent to Google by PTI did not elicit any response. ADIF said inconsistencies in Google's ad policy enforcement and the lack of transparency in its ad review and redressal processes results in unfair denial of access to Google's online search advertising platform for many advertisers. **PTI**



RBI began a pilot for e-rupee, a digital alternative to the physical currency, in December 2022. **PTI**

Payment apps eye RBI's e-rupee pilot

GooglePay, Walmart-backed PhonePe and AmazonPay are among five payment firms seeking to join the Indian central bank's digital currency pilot by offering transactions via the e-rupee, three people directly involved in the discussions said. Indian fintech firms Cred and Mobikwik are the other two that have applied to join the pilot, the people added. The Reserve Bank of India (RBI) started a pilot for the e-rupee, a digital alternative to the physical currency, in December 2022. After an initial surge, e-rupee transactions have declined, reflecting the struggle central banks globally have faced in popularizing digital currencies. Google Pay and Amazon Pay are payments applications offered by Alphabet Inc's Google and Amazon.com, respectively, that facilitate retail payments over India's widely used Unified Payments Interface (UPI). Initially, the apex bank had permitted only banks to offer e-rupee via their mobile applications, but in April it said payment firms could also offer e-rupee transactions via their platform once approved by the RBI. **REUTERS**

IEX trade volume rises 56% in July

Indian Energy Exchange (IEX) on Monday said it has achieved the highest-ever total trade volume of 13,250 million units (mu) in July 2024, registering an increase of 56% year-over-year. The total trade volume includes renewable energy certificates and energy-saving certificates as per an IEX statement. Electricity volumes reached 10,093mu, marking an increase of 29% year-over-year. Renewable Energy Certificates (REC) saw a surge, with volumes hitting 3,150mu, a rise of 405% year-over-year, the company said. Green electricity volume grew 259% at one billion units (bu) during the month under review. At ₹120 per certificate, the REC market recorded an all-time low price in the trading session held on 31 July 2024. The Day-Ahead Market volume increased to 5,056mu in July 2024 from 3,976mu in July 2023, registering an increase of 27% year-over-year. **PTI**

ONGC exceeds Q1 profit estimates amid robust fuel demand

Oil and Natural Gas Corp. (ONGC) beat first-quarter profit estimates on Monday, bolstered by strong domestic fuel demand and higher price realization. India's fuel consumption largely rose from year-ago periods in the quarter, data from the oil ministry showed, helped by strong industrial activity. The country is the world's third-biggest oil importer and consumer. Strength in the power sector, solid economic growth and higher jet fuel consumption helped demand, Prashant Vasisht, vice president and co-head, corporate ratings at Ica, said earlier this year. ONGC reported a standalone profit of ₹8,938 crore for the three months to June 30, beating analysts' average estimate of ₹8,585 billion, per LSEG data. The company's standalone earnings exclude profit from joint ventures, refining and marketing and profit from outside India operations. ONGC's crude oil price realization, or the price at which it sells the product, grew 8.8% to \$83.05 per barrel, compared with \$76.36 per barrel a year ago. Its revenue from operations rose 4% to ₹35,266 billion. **REUTERS**



Former Vietnamese tycoon Trinh Van Quyet is escorted by policemen from Hanoi People's Court following his sentencing. **REUTERS**

RESCUE MISSION



Pilgrims stranded in landslide-hit Kedarnath board an IAF helicopter on Monday. Rescue operations were delayed by poor weather in the Valley. **PTI**

Central, south India see surplus rainfall, nine states face deficit

After starting with a 13% rainfall deficit in June, central India has seen a dramatic shift

Puja Das
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NEW DELHI

The southwest monsoon began with an 11% rainfall deficiency in June and has been patchy across India. While central and southern regions have experienced surplus rains, the northwest and eastern parts of the country continued to suffer from deficits, triggering concerns about water levels in reservoirs. After starting with a 13% rainfall deficit in June, central India has seen a dramatic shift, recording 21% above-normal precipitation. Southern India has also seen 25% more rainfall than usual, resulting in flooding. On 8 July, Mumbai received over 300mm of rain in just six hours, the second-highest on record after the infamous 944mm deluge on 26 July 2005. On Tuesday, Kerala's Wayanad district was hit by severe landslides, resulting in 151 casualties—the

worst disaster since the 2008 floods. The national rainfall deficiency has turned to a 6% surplus as of 4 August, largely due to the transition from the El Niño-Southern Oscillation to La Niña. While this shift has brought relief to some regions, the continued imbalance between excess and deficient areas poses ongoing challenges for water management and agriculture. Northwest and east and northeast India regions continue to grapple with rain deficiencies, recording 10% and 13% less rainfall than normal, respectively, since the start of the monsoon season. June saw even greater deficits, with 33% below-normal rainfall in the northwest and 13% below-normal in the east and northeast. The India Meteorological Department (IMD)

forecasts below-normal rainfall for these areas in the second half of the monsoon season. While 12 states have so far received excess rain since June 1; nine states in east, northeast and northwestern regions, including Jharkhand, Bihar, Uttar Pradesh, Punjab and Haryana, top kharif crops producers, are still facing rain deficiency, which is likely to continue, as per the met department. India recorded 9% more rainfall than normal last month. However, July rainfall in northwest regions was 14.3% below normal. East and northeast India saw 23.3% deficient rains with Punjab, Haryana, Chandigarh, adjoining Himachal Pradesh, Jammu and Kashmir, Bihar, Jharkhand, east Uttar Pradesh, Gangetic West Bengal, and Odisha bearing the brunt.

On 8 July, Mumbai received over 300mm of rainfall in just six hours, the second-highest on record after the 944 mm deluge on 26 July 2005

Vedanta aims \$3 bn debt refinancing

Vedanta Resources Ltd. is looking to partly refinance its high-yield debt as the miner aims to lower its funding costs following a rating upgrade. Billionaire Anil Agarwal's company is in talks with banks to gauge investor appetite for refinancing a large part of \$3 billion of bonds maturing between 2026 and 2028, people familiar with the matter said, asking not to be identified as the discussions are private. Burdened by a heavy debt load amassed due to a string of acquisitions, Vedanta Resources restructured the bonds in January, giving it more time to repay. S&P Global Ratings, which had warned the deal may trigger a selective default, upgraded the company last month, citing sufficient internal resources to meet debt maturities. Vedanta seeks to lower the cost on its bonds by as much as 400 basis points to bring it in high single digits, the people said, adding the terms have not been finalized yet. **BLOOMBERG**



The inventory levels surged to a historic high of 67-72 days, equating to ₹73,000 cr worth of stock. **PTI**

'PV sales rise 10% on new launches'

Passenger vehicle retail sales in India witnessed a 10% on-year jump in July driven by new model launches and enhanced discounts, industry body FADA said on Monday. Total passenger vehicle retail sales rose to 320,129 units in July, as compared to 290,564 units in July 2023. "Dealers reported benefits from good product availability, attractive schemes, and a wider range of products," the Federation of Automobile Dealers Associations (FADA) vice president C.S. Vigneshwar said. Heavy rains, low consumer sentiment and intense competition posed challenges but dealers managed to sustain sales through strong promotions and incremental discounts, he added. Vigneshwar, however, noted that the growth is accompanied by high inventory levels which has surged to a historic high of 67-72 days, equating to ₹73,000 crore worth of stock. **PTI**

TBZ reports 50% profit surge in Q1

Tribhovandas Bhimji Zaveri (TBZ) posted a 50% rise in first-quarter profit on Monday, helped by increasing demand for its gold jewellery despite soaring prices. Consolidated net profit rose to ₹17,050 crore in the quarter ended June, the jeweller said, while sales rose 4.5% to ₹596 crore. TBZ's core profit margin expanded to 7.14% during the quarter from 5.65% a year earlier as the company focused on high-margin products, which boosted the bottom line, it said. Soaring gold prices, however, pushed up the company's raw material costs by 34%. Total expenses rose 3%. As gold prices continue to rise, retailers are either increasing prices to protect their bottom line or offering discounts to attract customers. Shares of TBZ ended about 6% lower amid a broader selloff in the market on Monday. The benchmark Nifty 50 closed 2.7% lower. **REUTERS**

KFC India operator tops Q1 profit view

KFC India operator Devyani International reported a better-than-expected first-quarter profit on Monday, as promotions and discounts drew customers in. Consolidated net profit rose to ₹30.11 crore for the quarter ended 30 June from ₹11.76 crore a year ago. Analysts, on average, expected a profit of ₹20.75 crore, as per LSEG data. To attract budget-conscious customers, Devyani offered discounts and promotional offers such as chicken rolls at ₹99 (\$1.2) at its KFC outlets. The T20 Cricket World Cup and the coinciding school holidays also helped drive its sales. India's quick-service restaurant chains have struggled with sluggish demand and rising costs amid inflationary pressures. The country's retail inflation hovered around 5% throughout the quarter due to elevated food prices. However, its earnings before interest, tax, depreciation and amortization margin contracted to 18.3% from 20.5% a year ago, with expenses surging 43%. **REUTERS**



TikTok vowed not to launch a program rewarding screen time, carrying addiction risks for users. **AFP**

TikTok bows to EU demand on Lite app

The European Union (EU) closed a case against ByteDance Ltd's TikTok after the Chinese social media giant pulled a controversial feature that regulators warned could be addictive for children. The bloc's executive arm said ByteDance committed to permanently withdraw its controversial rewards program on its Lite app from the European Union to comply with the bloc's tough new Digital Services Act. TikTok also pledged not to launch any other program rewarding screen time and carrying risks of addiction for users, which would circumvent the withdrawal. "The available brain time of young Europeans is not a currency for social media—and it never will be," Thierry Breton, the European Union's commissioner for the internal market, said in an emailed statement. "We have obtained the permanent withdrawal" of the program, "which could have had very addictive consequences. The DSA effect kicks in." TikTok is coming under scrutiny across the world as its influence grows and amid fears over its Chinese origins. **BLOOMBERG**



INSIDE KUNAL BAHL'S SECOND COMING

As an entrepreneur, he struggled, but as an investor, Bahl has shown he has the Midas touch

Mansi Verma & Priyamvada C.
MUMBAI/BENGALURU

Just months after home services platform Urban Company was founded in 2014 by four former executives from consulting firm BCG, Snapdeal founder Kunal Bahl and his understated partner Rohit Bansal put ₹57 lakh into the startup, then known as Urban Clap. It was a gamble. Through their venture company, Titan Capital, they were essentially backing an idea. They were not alone; other established venture capitalists such as Elevation Capital and Accel Partners also participated in that March-April 2015 round.

Last month, when Dharana Capital invested \$50 million in Urban Company, Titan Capital exited with around ₹110-120 crore. The venture investor had multiplied its money 200 times. Few investors in India, even the most storied ones, can boast of such phenomenal returns.

It was not a flash in the pan. Titan Capital had made very profitable exits earlier as well. In 2022, it booked a 100x exit from Ola Cabs, as well as from debt recovery and legal automation business Credgenics, according to a report by tech news publication Entrackr in November 2023. Again, when Mamaearth went public last October-November, Titan Capital booked a 100x return.

And now, the initial public offering (IPO) of Unicommerce, which was acquired by Snapdeal three years after it was founded in 2012, is set to open. Over the years, the logistics-focused SaaS business stayed under the radar, became profitable, and funded itself through internal accruals. It is now valued at around ₹1,100 crore. Unicommerce offers e-commerce solutions covering order and inventory, returns, and omnichannel management, and serves more than 20,000 brands and marketplaces, including boAt, Lenskart and Myntra.

Promoter Snapdeal, now rebranded as AceVector, as well as Softbank, are off-loading some shares in Unicommerce. But this time, Bahl and Bansal, who own 10% of the business through Titan Capital, are staying put.

With these handsome exits, the duo have shown time and again that they know a thing or two about backing up-and-coming startups. When it comes to running an enterprise, however, they do not quite have the same record.

SNAPDEAL DISAPPOINTMENT

Before Titan Capital was formed in 2015, the Bahl-Bansal duo were already investing their capital in select early-stage startups including Ola Cabs, their first-ever investment. They did it discreetly, at a time when their energies were still focused on turning Snapdeal into a success.

At one time, the founders believed that they could topple Flipkart and turn Snapdeal into India's Amazon, their confidence fuelled by a fat war chest. Japanese VC investor SoftBank had put over \$600 million into Snapdeal in 2014 and backed this up with another \$500 million in August 2015. (In all, Snapdeal has raised over \$1.77 billion to date, as per data provided by market intelligence provider Tracxn.) Amazon, which had entered in 2013, was still finding its feet in India back then.

In those months, Bahl was also aggressive on social media platform Twitter (now known as X), and was not above publicly taking on competition. He even told journalists that it was only a matter of months before Snapdeal overtook Flipkart. "The one thing I am very, very clear about right now is that I think we're going to be No. 1 (in terms of sales) by March 2016. I think we're going to beat Flipkart by then," Bahl said in an interview with *The Economic Times*.

By 2016, however, Snapdeal was desperately trying to stay afloat, as *Mint* had reported extensively at the time, and the founders found themselves in a boardroom fight with their own investors. The shoe was on the other foot—instead of overtaking Flipkart, Snapdeal was now staring at a takeover by its rival.

The proposal had the backing of Snapdeal's investors, but as is now public lore, Bahl and Bansal pushed back fiercely, unwilling to let their startup be acquired. They decided that Snapdeal would take its own path and become sustainable on its own. The backlash from Snapdeal's investors was fairly public, with Kalaari Capital's Vani Kola telling television channel *ET Now* that she was "extremely disappointed and shocked," by the decision taken by Bahl



A file photo of Kunal Bahl, co-founder of AceVector Ltd, the holding company for Snapdeal. He is also the co-founder of Titan Capital.

and Bansal to call off talks and "their disregard for investors and employees' interests".

The e-commerce platform did not raise money again thereafter, but it also never managed to match Flipkart's or Amazon's scale.

Nevertheless, when the markets were buoyant in December 2021, Snapdeal filed for a public listing. The company was aiming to raise around ₹1,250 crore in primary capital, and had proposed to sell over 30 million shares in an offer for sale—the promoters and investors would sell a part of their stakes. But within a year, the IPO plans were withdrawn, after tech stocks such as Paytm and Zomato, which had just held their IPOs, sank below their listing price soon after going public.

The founders still need to return capital to their investors. The Unicommerce IPO, if successful, will help it do that to a very small extent with SoftBank. The Japanese investor's stake in Unicommerce is a relic of its investment in Snapdeal. After the merger with Flipkart failed, Softbank wrote off the investment in Snapdeal. The merger was called off in 2017, but by then Softbank had already invested about \$15 million in Unicommerce.

Indeed, one understated requirement for the Unicommerce IPO is that it needs to provide Softbank an exit. The red herring prospectus says that Softbank has the right to sell back its stake in the company to AceVector by November 2025, at a predetermined valuation, if Unicommerce or AceVector are unable to go public by November 2025.

BUILDING TITAN CAPITAL

Titan Capital's success is no secret today, but for the longest time, Bahl and Bansal avoided speaking about their investment vehicle publicly, choosing instead to back founders on the quiet and focus on Snapdeal. Bahl recounted an incident that led to the origins of Titan Capital, years before they had turned into investors. In the late 2000s, the two young entrepreneurs went to a Delhi-based investor to pitch their startup idea. They received great feedback but were asked for 60% ownership for a ₹50 lakh investment. "Our hearts literally sank because these were not angels, they were devils," Bahl told *Mint*. "At that moment,

we decided that when we had the ability, capital perspective or knowledge network, we would give back to the next cohort of founders."

Today, Titan Capital typically does early-stage investments in tech-enabled sectors including fintech, software-as-a-service (SaaS) and logistics and boasts of more than 200 startup investments. Recently, it launched a 'Winners Fund' to double down on some of its existing portfolio companies and has sought external capital for this fund. However, the founder duo continue to remain the largest shareholders.

Other investors have taken note of Bahl's and Bansal's track record as investors. Anand Lunia, partner at VC firm India Quotient, who has worked with Titan Capital for over five years, alluded to Bahl's exceptional qualities as an investor. "Kunal is a great investor, and while we have known him only in the capacity of Titan Capital, how he has built it into a premier seed-stage firm...while running his other companies, including Unicommerce, is amazing and very unique," he said. "They (Titan's team) have produced a very high success rate in spite of the high volume of deals, which is very tough to maintain for even the best of the best funds," Lunia added.

Titan Capital's growth over the last decade appears to have given founders more clarity. Bahl, who recently turned 40, told *Mint* he plans to dedicate the next chapter of his career towards backing founders, while continuing to work at his other businesses. "Everyone has to determine the purpose of their life. For me, it's supporting smart, motivated people to achieve their goals, whether through operating a business, someone working with us, someone building a business with us, or by being a small part of their overall journey as an investor," he told *Mint* on the sidelines of Unicommerce's IPO conference.

Some of his older investors, who are yet to see returns on their Snapdeal investment, say he has matured over the years. "Kunal has moved on. Kunal is a guy who is now thinking more as an investor. When you are an investor, you know very well how to mend bridges. You are not looking at it with a builder and operator's ego," said a person familiar with Bahl's working style since the early days of Snapdeal. "The biggest transformation for Kunal is that his mindset is now that of an investor, which means he is far more accommodative of different points of view," the person added.

Bahl insists his partner Bansal has had an equal role to play in all their successes.



WHAT

Kunal Bahl and Rohit Bansal dreamed of making Snapdeal India's answer to Amazon. But they were unable to deliver and under their leadership the company turned into a bit player.

BUT

When it comes to backing founders of other startups, Bahl and Bansal have picked some winners. Their VC firm Titan Capital has funded over 200 companies in the last decade.

NOW

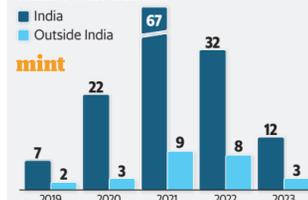
In 2015, Snapdeal acquired Unicommerce and it ran without day-to-day involvement by Bahl and Bansal. Unicommerce's IPO will allow Snapdeal investor SoftBank a small recovery.

HIGHS AND LOWS

Big bets

Since 2015, Titan Capital has invested in more than 200 startups.

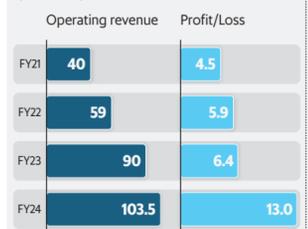
Number of investments



Steady run

Unicommerce doubled its profit in FY24.

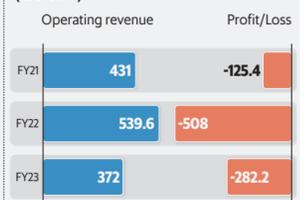
(in ₹ crore)



Snapdeal's struggle

Snapdeal has struggled to scale but its losses narrowed substantially in FY23.

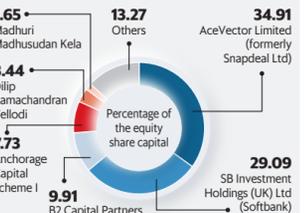
(in ₹ crore)



Share matters

AceVector and Softbank together hold 64% in Unicommerce.

Equity shareholding of major investors



Source: Tracxn, RHP filings
SATISH KUMAR/MINT

"We used to sit next to each other in class 11 and 12, and we've known each other for 25 years now. Every day, we have lunch together; every day, for the last 17 years that we've been building the company," he told *Mint*. "Someone defined Rohit as being the deep brain and me as the wide brain. We each have our own ways of looking at things, and those perspectives are different. That's what helps us learn and also replicate success."

HANDS-OFF SUCCESS

Aside from some operational involvement on his part, Bahl solely credits Unicommerce CEO Kapil Makhija and CFO Anurag Mittal for its success, noting that they have steered the company for nearly a decade and brought it to the IPO milestone. "When we acquired Unicommerce in 2015, the revenues were negligible, and we didn't have many customers. We took it from there to taking it public, which was a long, arduous path. But it was executed with great discipline to build a lasting, enduring company with a clear profit model in mind," Bahl said.

The duo have never publicly spoken

before about how their experience with Snapdeal changed their perception on building businesses or investing in other businesses. But one of the things that stands out about Unicommerce is that it came up on its own steam, with no external funding. "We have never tried to grow at unsustainable growth rates. It requires a lot of discipline, patience, and a good temperament," Bahl said, adding that the company's focus on building a good premium product has led to its "good" margins and operating profits. "Internally, we have never even broached the topic of burning money and growing faster. It's not how we think; it's not how we've approached the building."

In 2023-24, Unicommerce posted revenue of ₹103.5 crore after nearly doubling its income to ₹90 crore in 2022-23. Its net profit also doubled last year to ₹13 crore from ₹6.4 crore the year before.

UNICOMMERCE EXITS

Unicommerce's ₹276.57 crore initial public offering, through the Offer

For Sale (OFS) route, will open on 6 August and, if successful, the company will list a week later. SoftBank owns 29% of Unicommerce, while AceVector, the largest shareholder and Snapdeal's owner, holds a 34.91% stake.

The two entities will sell shares worth ₹267 crore (around \$33 million) at the upper end of the IPO's price band and split the proceeds evenly. The ₹160 crore or so that it gets will certainly not help SoftBank recoup its losses in Snapdeal. However, it will continue to hold a 14-15% stake in Unicommerce.

Bahl and Bansal own a 9.9% stake in the company through Titan Capital, which they are retaining. Typically, an OFS is not very popular with investors as the money that is raised goes to investors who are exiting and nothing accrues to the company. So, why is Unicommerce going public now, without raising any primary capital?



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How a consulting role can slash your taxable income by up to 50%

A complete guide to freelancing versus full-time employment, weighing tax benefits and career impacts

Shipra Singh
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The choice between freelancing and full-time employment often hinges on the option that offers greater control over one's schedule and the type of work undertaken. However, freelancing can also provide significant tax advantages when properly managed. For instance, if you shift to a consulting role within the organization you are working for, it can help you realise these benefits.

This trend is, in fact, gaining traction in the corporate world primarily among mid- to senior-level professionals who are increasingly opting to transition to consulting roles with their companies. Experts said that the shift often offers the dual benefits of a stable contract, besides favourable tax implications.

"The income that you were earning as salary is in such cases be treated as business income. This gives you the option of switching to the presumptive taxation scheme, which can save more tax over what you can save on salary," said Pranjal Bansal, a partner at chartered accountancy firm AAPT Associates.

However, this transition is not as straightforward as it may seem. It requires careful consideration of various factors, including contract terms and tax implications.

What defines a consultant

Experts said the tax department will not treat you as a consultant just because the company updates the employment letter to label you as a consultant without changing other terms of the job such as work timings and leave entitlements.

"If a contract defines the consultant's work hours and leave they are allowed, the roles and responsibilities remain unchanged and, most importantly, bars them from taking up other projects, it is still considered employment by tax and provident fund authorities," said Prakash Hegde, a chartered accountant and principal consultant of direct taxation, Acer Tax & Corporate Services LLP. "Many companies tend to use this route to avoid paying provident fund and other employment-related benefits. Besides, in many cases, the Supreme Court has ruled that such contracts constitute employment."

Therefore, switching roles merely on paper should not be regarded as a tax-saving strategy without careful consideration.

Presumptive taxation scheme

The primary advantage of taking on a consulting role is the option to use the presumptive taxation scheme. As a consultant qualifies as a professional service provider, they can opt for the presumptive taxation scheme under Section 44ADA.

Under this section, the taxpayer can directly declare 50% or more of their gross revenue as taxable income at the applicable slab rate, assuming that the remaining income covers the taxpayer's expenses that are not subject to taxation.

A professional is not required to

Should you switch to consulting?

Switching to a consulting role saves on taxes only if your net income under the presumptive scheme (Sec 44ADA) is lower than your salary.



Companies offset GST paid to consultants as input tax credit against GST collected from clients; so it's not an added expense for them.

	When he's an employee	50%* of gross income under presumptive tax scheme*	Switches to consulting role
Gross income	₹45,00,000		₹45,00,000
Less: Standard deduction	₹75,000		-
Net taxable income	₹44,25,000		₹22,50,000
Tax to be paid	₹10,01,500		₹3,49,000

*50% is not a flat rate for everyone; read the full story for potential pitfalls
#Section 44ADA presumptive scheme allowed on turnover of up to ₹75 lakh

GST compliance increases

Sanjeev must get GST number as his turnover exceeds ₹20 lakh. He pays flat 6% GST under composition scheme*

Monthly income	6% GST	10% TDS on income	Net cash flow	In-hand if he is an employee
₹3.75 lakh	₹22,500	₹37,500	₹3.15 lakh	₹2.85 lakh



*Professionals with upto ₹50 lakh turnover can opt for composition scheme. You pay flat 6% GST, can't claim input tax credit, pay GST quarterly (not monthly) and file return annually (not quarterly)
**Sanjeev's is a hypothetical case

Sanjeev is in the new tax regime

Beyond tax saving

Pros	Cons
Full-time employee <ul style="list-style-type: none"> Greater job security Severance pay, notice period if laid off Get EPF, employer's medical insurance 	Consulting role <ul style="list-style-type: none"> Can have multiple incomes from different gigs Get to develop specialization over time Higher in-hand income

Pros	Cons
Full-time employee <ul style="list-style-type: none"> Tied down to one income stream Work can get repetitive Fewer expenses deductions allowed (if under old regime) 	Consulting role <ul style="list-style-type: none"> During downsizing, first to be fired and immediately without notice Increased tax compliance with GST, advance tax etc You will not enjoy the benefits of EPF, employer-sponsored medical insurance policy

PRANAY BHARDWAI/MINT

maintain the books of accounts or undergo audit under the presumptive taxation scheme. This also eliminates the need to record and claim each expense when filing tax returns. However, it's important to note that the flat 50% of income is not applicable in all cases.

"Though it's a common practice, it is a fallacy," said Gautam Nayak, a partner at CNK & Associates. "Taxable income is actually arrived at by deducting the actual expenses one has incurred. It includes both personal and professional expenses. The case shouldn't be that you show ₹25 lakh of your ₹50 lakh turnover as income to be taxed, whereas you have made investments worth ₹30 lakh. Logically, how can you invest more than your income?"

Karan Batra, founder of Chartered Club, agreed. "Now AIS (annual information statement) shows your investments and big-ticket expenses, which makes it easier to tally," Batra said.

The tax department has so far not flagged cases with such discrepancy, and, hence, declaring 50% income continues to be the norm. However,

Hegde said it's an unsettled law as many tribunals have ruled that if the law permits taxpayers to not maintain books of accounts and offers the minimum permissible income to tax, i.e. 50%, the tax authorities cannot question the taxpayer.

Evaluating tax savings

Note, as a consultant, you will be able to save on taxes only if the tax-saving components in your CTC, or cost-to-company are less than the expenses you are allowed to deduct as part of the presumptive taxation scheme.

Sample this: Mr. A is a salaried employee with a gross income of ₹40 lakh and claims home rent allowance of ₹5 lakh, ₹6 lakh for a car lease, and ₹1.5 lakh in Section 80C deductions under the old tax regime. With the standard deduction, he receives ₹13 lakh in tax deductions, resulting in a tax liability of ₹6.35 lakh.

Now, if Mr. A transitions to a consulting role with same gross income, his expenses might be as follows: 15% of his income for rent and an additional 35% for utilities and other professional expenses. Under the presumptive taxation scheme, he can

also declare 50% of his income, i.e., ₹20 lakh, as taxable. This results in a tax liability of ₹4.25 lakh, which is around ₹2.1 lakh less than his previous tax liability.

In fact, even if Mr. A declares up to 70% of his income as taxable, he will still pay less tax as a consultant under these assumptions. Note that, as Mr. A is under the old tax regime, he can claim deductions for medical insurance premiums, home loan interest, and other expenses related to his salary income. Additionally, when transitioning to a consulting role, gross income often rises by 30-100%, according to industry estimates, particularly if one takes on multiple gigs.

However, if one opts for the new tax regime, the presumptive taxation scheme can reduce net taxable income below ₹50 lakh. It is important because income exceeding ₹50 lakh is subject to a 10% surcharge. Those with turnover up to ₹75 lakh can opt for the presumptive taxation scheme. So, taxpayers should carefully consider all these factors before making a decision.

When an individual's professional expenses exceed 50% of their salary, switching to a consulting role without opting for presumptive taxation may be advantageous, because the

taxpayer can deduct such expenses as business-related costs, which will not be permitted for salaried people.

Impact of GST compliance

As a consultant, you should obtain a GST registration number if your annual income exceeds ₹20 lakh.

This requirement raises tax compliance responsibilities, as you would need to pay GST every month, calculate the input tax credit (ITC) you can claim, and file returns periodically. ITC refers to the GST paid on work-related expenses, which can be offset against your own GST liability.

"The need to engage a CA increases when you have GST. For a salaried employee, the employer deposits the TDS and the employee only has to file ITR annually," said Batra.

For those with a turnover up to ₹50 lakh, the composition scheme offers relief by applying a lower GST rate. Service professionals under this scheme pay a flat 6% GST but cannot claim any input tax credit (ITC).

Experts said that individual consultants and freelancers, who typically have fewer business expenses and less ITC to claim, would benefit from this scheme.

Additionally, compliance is simplified as GST is paid quarterly and returns are filed annually.

Beyond tax considerations

The decision to leave a secure job should not be based solely on potential tax savings. Primarily, you forfeit benefits such as employees' provident fund (EPF) and company-sponsored medical insurance. As a consultant, you can continue saving for retirement through the Public Provident Fund (PPF) scheme.

It is also important to consider the impact of this switch on your career. Devashish Chakravarty, founder of SalaryNext.com, a job loss assurance company, noted that even if you have a consulting contract with the same company, you could be among the first to be terminated during a downsizing exercise.

"In case of employees, the company is liable to give them a notice period or pay severance, or both. There's usually no such liability for consultants, so their contracts can be closed immediately," he said.

The advantage of consulting roles is the potential to earn more by taking on multiple gigs. Additionally, since the CTC decreases when you become a consultant, it is advisable to negotiate for higher pay.

"Employers prefer to pay a higher per-hour rate to consultants in lieu of the job security, income guarantee and CTC benefits that they give to employees. You can usually earn 30-100% more on a per-hour rate for the same tasks," said Chakravarty.

Besides, one can consider consultancy as an opportunity to specialise in one's field of expertise.



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POWER POINT
MANIKARAN SINGAL

We welcome your views and comments at
mintmoney@livemint.com

OVERLOOKED RISKS: WHY YOU SHOULD VET YOUR BROKER

When you open a bank account, purchase insurance, or invest in mutual funds, you hand over personal identification and residency proofs. This know your customer (KYC) process is standard across financial institutions to prevent illicit funds from entering the system. But while banks and companies diligently gather information about you, how much do you know about those who guide your financial decisions? You submit documents not just once, but repeatedly over time. Failure to do so can result in your accounts being frozen, blocking transactions. This rigorous process is part of anti-money laundering guidelines ensuring institutions have up-to-date customer information.

KYC paradox: However, while institutions verify your credentials, you seldom scrutinize the qualifications of investment advisors—bank relationship managers, mutual fund distributors, stock brokers or even influencers. Are they certified to guide your financial future? Can you rely on their advice, and who is accountable if it leads to losses? In fact, you tend to overlook the qualifications or certifications of financial advisors you rely on. Rarely do you inquire about the regulatory registrations, and tend to assume that if someone is associated with a reputable bank or brokerage, they must be certified. If a person writes popular blogs, has a significant follower base, or appears on television, you believe they must be verified professionals. This trust also extends to social media, without questioning the source.

Risks of free advice: You might be willing to take advice from anyone promising high returns, especially if it is offered at "low" or "no cost". Even if not for the average returns, the allure of free advice can be irresistible. Accept that cost is a major factor deterring you from consulting registered advisors. The second factor is the free

flow of information, which you often mistake for knowledge. New-age platforms exploit these factors by providing free information and portals. They engage you, gradually shifting your mindset towards borrowing, futures and options (F&O) trading, and stock trading, where they make money irrespective of your gains or losses.

The data speaks for itself. According to a report by the Securities and Exchange Board of India (Sebi), nine out of 10 individual traders in the equity F&O segment experienced losses, with an average loss of ₹1.1 lakh in FY22. Additionally, 90% of active traders lost an average of ₹1.25 lakh in the same period. Among active traders (excluding outliers), the average loss was about ₹50,000 in FY22. Average loss for those who lost money was over 15 times the average gains by those who profited. Although this data is somewhat dated, today's market has much higher volumes.

Need for qualified advice: Direct MFs were introduced to lower investment costs for knowledgeable investors and to bring transparency to MFs' cost structure. But, many fintech platforms have misused the funds to attract and mislead gullible investors in search of free services. While MF investments have grown recently, there is still a significant gap between trading and investing volumes. Investors need guidance from certified professionals to ensure accountability. They must invest wisely as they alone are responsible for their financial future. While regulators are doing their job, it's time for investors to recognize the importance of right advisors: know who you are dealing with, understand their qualifications, and be aware of conflicts of interest. Free advice often leads to addiction and indirect costs that become apparent later.

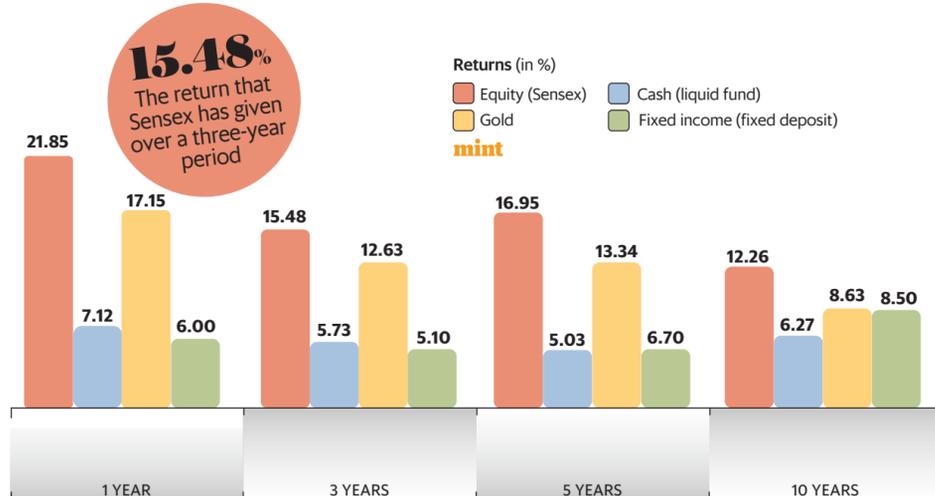
Platforms facilitate transactions but don't take responsibility for your losses. If you're dealing with an MF distributor or a stock broker, ensure they are qualified and experienced. Ask about the investment philosophy and how they stay updated with the latest information. If you follow a financial influencer, or finfluencer, on social media, remember that this relationship is more about general recommendations than professional one-on-one advice. Understand the basis of their statements. Employees of large institutions or brokers must also meet experience and qualification standards to advise investors.

Finally, note that the term 'investment adviser' is restricted by Sebi. Only individuals or corporates registered with Sebi can use this title. If someone approaches you claiming to be an advisor, verify their credentials on the Sebi website.

Manikaran Singal is principal officer at Good Moneying Wealth Planners Pvt Ltd, a Sebi-registered investment advisor.

Returns on investments

Building a portfolio is a complex exercise, and it has to be maintained, too. A person's portfolio holds different types of assets based on his/her financial goals, and each asset class gives different types of returns, which is why a portfolio must have an ideal mix of financial products. One must also keep in mind the volatility risk of the asset class, liquidity, lock-in rules and taxation. Here's a look at how four commonly used asset types—equity, cash, gold and fixed income—have done in different periods.



Data as on 2 August 2024. Equity is the benchmark Sensex return (price); cash refers to the average return for liquid funds category as defined by Valueresearchonline; gold refers to domestic gold prices available on Valueresearchonline; and fixed income is historic SBI fixed deposit rates. All returns are annualized.

PRANAY BHARDWAI/MINT

Source: S&P Dow Jones Indices, Value Research, SBI

Inside Kunal Bahl's second coming

FROM PAGE 14

"We believe now is a good time to go public because being listed brings several benefits," Bahl said. As a B2B company, listing the SaaS business increases "credibility in the eyes of global prospective customers," he said, citing the example of Infosys. "Mr Murthy (Infosys founder N.R. Narayana Murthy) always said that after Infosys went public, it suddenly increased credibility. We're managing the backend for some of the largest brands in the country, and being a listed, profit-making, growing company with great governance helps when we talk to large enterprises," said Bahl.

"Second, we don't have plans for heavy machinery; our key resource is our team. We have a fantastic team under Kapil and Anurag's leadership, and being listed helps us attract and retain top talent. ESOPs become more liquid and closer to real money compared to something in the dis-



Titan Capital co-founders Kunal Bahl (left) and Rohit Bansal.

tant future," he said.

Third, "being listed gives us the ability to grow inorganically... Listing provides us with the currency to do that when an opportunity presents itself in the future. There are more reasons, but these three alone are significant enough," Bahl added.

The proceeds from the OFS will infuse AceVector (or Snapdeal) with cash at the holding company level. Bahl

Mint reached out to some of Snapdeal's investors, including SoftBank, Nexus Partners and Premji Invest, to ascertain the kind of returns they are anticipating from the IPO, but is yet to get a response.

For Bahl, taking Unicorn-mercer public was a poignant moment, something he was not able to do with Snapdeal. But once the listing is done, he says, it would be business as usual. "We will do the ceremony and then get back to building Unicorn-mercer."

Asked if he preferred being an investor or an operator, Bahl quipped that choosing between the two was like choosing between being a husband and a father. "I'm not this compartmentalised—that this is my operator life, and this is my investor life," said Bahl. "At some level you think of us as investors in the Titan context; we actually think of ourselves as operators even in the Titan context."

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OUR VIEW


Should RBI target only core inflation? Bad idea

Inflation targeting is a bigger challenge in India than in America, say, where monetary policy is sensitive to its jobs market, but taking an easier approach would be a cop-out

Inflation targeting works reasonably well in America, but does India need a modified version of it? After all, what drives price instability here differs. It's why members of the Reserve Bank of India's (RBI) panel for monetary policy are unlikely to take note of a *Mint*+Shine study for the first quarter of 2024-25 that found 95% of all employees in a formal-sector sample on the lookout for a job change, which could suggest a round of salary bargaining. Sure, the government has its own periodic labour force survey, which tracks jobs in every sector of the economy, but even that's only a by-the-way input for RBI's interest-rate policy. Unlike in the US, whose central bank has worked hard to smother its 2022 inflation flare-up with rate hikes and is now watching the labour market closely as it nears its 2% target, inflationary impulses in India tend to arise chiefly from erratic farm supplies. Indeed, commodity data is what Indian policymakers must pore over. This is a significant difference.

Apart from price stability, America's Federal Reserve, its central bank, also has a mandate to maximize employment. As seen in developed economies, the two are linked. If its labour market tightens, implying rivalry among recruiters, wages get bid upwards and feed inflation. If payroll additions slacken, as is the case right now, then job seekers vying for jobs make it easier to keep a lid on overall price levels too. A mostly formal economy means the US has the luxury of reliable data to plot its trade-off between jobs and prices on a graph. This 'Phillips curve' was shifting its shape even before pandemic supply squeezes and relief money—coupled with geopolitical flux—warped American prices, making it harder to identify a level of employment that's consistent with stable inflation. Today, as US

joblessness rises and fresh hiring flags amid softening prices and recession fears, expectations have risen of a rate cut by the Fed. A sudden sense among investors that it might have held rates high for too long may even have rattled stock markets in early trading this week.

In contrast, job conditions in India have no real bearing on retail inflation, which RBI must reduce to 4% but often tracks agricultural output, oil import costs and other readings riddled with exasperating uncertainty. This being so, targeting inflation stripped of volatile fuel and food prices (to its 'core', i.e.) would surely ease RBI's job. While the idea of such a target switch is tempting, it is also inadvisable. Price stability in general is what policy must aim for, after all, so that what the rupee is worth declines along a predictable path of purchasing power. This cannot be assured by trying to pin down a half-measure. Instead, it risks letting the prices of essentials off the hook. This would hurt the poor more than others, of course. But a currency whose real value is unstable where it counts, out in the market, also has another bad effect. It unfairly favours borrowers over lenders (and savers), since inflation reduces the real burden of debt over time, unless loans are kept costly to compensate. Given the structural asymmetry in power between a debt-laden government (and businesses) on one side and ordinary folks (and banks) on the other, a central bank empowered to keep actual inflation in check is worth having. Good governance by the Centre involves not just backing an RBI looking to quell unruly prices, but also exercising fiscal restraint, so that state spending doesn't send excess money sloshing around the economy. All said, we should stick to our retail target. Going after core inflation alone would be a cop-out.

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THEIR VIEW

India Inc has space to enhance its global role in climate action

Conditions are ripe for Indian industry to mount an international effort aimed at green leadership


GEORGE SKARIA

is a columnist and co-author of the recent book 'Beyond Three Generations: The Definitive Guide to Building Enduring Indian Family Businesses'.

Sumant Sinha, founder, CEO and chairman of Gurgaon-based ReNew, was recently appointed co-chair of the Switzerland-based Alliance of CEO Climate Leaders. This private sector collective has about 130 global chief executive officers from 26 countries representing 12 industries.

Apart from ReNew, at an institutional level, there are eight other Indian companies that are part of this group. While the Conference of the Parties (CoP) of the United Nations Framework Convention on Climate Change is a confluence of countries, the Alliance of CEO Climate Leaders is envisioned as a parallel body at the level of global corporations.

Last year, Mukesh Ambani of Reliance Industries was nominated a member of the high-powered international advisory panel of CoP-28 held in Dubai. Additionally, again in 2023, when India assumed presidency of two international forums, the G20 and Clean Energy Ministerial, Indian industry played a key role.

Until now, India Inc and its leaders have largely operated on the margins of global climate action. The few examples given here are exceptions. It is, therefore, time that Indian businesses play a more influential role at the global high-table.

The case for India to do so is strong. Home to one-sixth of the world's popu-

lation, the country's ambition to become the world's third-largest economy in the coming few years and a developed nation by 2047 make it incumbent upon it to increase its participation in climate action.

Further, there are key goals around climate action that India has set out to achieve and an equal number of challenges that it has to overcome. The two main goals include a target of net-zero emissions by 2070 and renewable sources accounting for half of all energy needs by 2030, by when India aims to have 500 gigawatt (GW) of fossil fuel-free generation capacity.

As India transitions from a fossil-fuel led economy to a renewables-based one, it needs to quadruple the annual installations of wind and solar capacity to meet its 2030 target and adopt green hydrogen for diversification.

Finally, with greener transportation on the rise globally and despite India reaching 2 million units of electric vehicles across all categories in 2023, according to Bloomberg NEF estimates, Indian industry faces a number of challenges, including funding, high costs and infrastructural enablers. All these strengthen the argument that Indian business needs to stretch its playground beyond national boundaries to the global landscape. How can that be done?

An Indian agenda for global action: First, even though China is the world's largest polluter in the world, it is also, paradoxically, a global leader in clean-tech products and services like electric vehicles, renewable energy infrastructure and energy solutions.

With the West's growing apathy towards China, from which some nations are looking to decouple in favour of alternatives, India should fill in that void as a global manufacturing hub for clean-tech products. But to do that, India would need to acquire a competitive advantage.

At the same time, India's renewable energy market is finding traction with

foreign investors. Both these ambitions would require Indian industry to lobby with trade bodies in the EU and US and engage with global corporations that are looking to invest in India.

Second, the US Inflation Reduction Act (IRA) of 2022 poses some risks. Apart from US protectionism under this law, it could hamper technology transfers to other countries. For India to grow its renewables industry, it will need advanced climate technologies currently unavailable in the country, especially technological advances that are under patent protection.

A 2023 paper by Vyoma Jha and Sameer Kwatra of the climate change research organisation NRDC India argues that existing platforms like the US-India Strategic Clean Energy Partnership, US-India Initiative on Critical and Emerging Technologies and US-India Hydrogen Task Force should be strengthened to support India's clean energy transition. Further, India needs to leverage its relationship with the US and other countries on the economic and political diplomacy fronts too, quite like it has done for the defence sector.

Third, India's industry associations need to step up further with a global perspective even as they seek to inform policy formulation on clean energy. While the Narendra Modi government in the last 10 years has made reasonable strides in the formulation of policies that support climate action, such as the country's green hydrogen policy, electric vehicle policy, various subsidies and exemptions on import duties, more needs to be done to bring Indian policies in consonance with those overseas.

Finally, oil and gas companies in the country, and those in heavy industries like steel and cement, need to transition from their legacy operations. These industries can draw lessons from global corporations that have travelled farther along the path towards a decarbonized future.

10 YEARS AGO



MINT METRIC

by Bibek Debroy

Cars with 0-3 kg weight,
Rajasthan's transport department hardly straight.
Car with seating capacity of fifty,
CAG didn't find this nifty.
Some light vehicles really heavy weight.

MY VIEW | MUSING MACRO

Roll out a measured red carpet for Chinese investment

AJIT RANADE


is a Pune-based economist.

In 2021-22, India received its highest foreign direct investment (FDI) inflow of \$84 billion. Two years later, that number was down by nearly half to \$44 billion. The reasons are both external and internal to India. Net FDI after subtracting outgoing investment is down 62% to just \$11 billion, a 17-year low. The government's ambition is to reach FDI worth \$100 billion every year. This will still represent less than 3% of gross domestic product (GDP) and not even one-tenth of the industrial and economic investment that is needed to take GDP growth to a higher orbit. A bulk of the investment will continue to be funded by domestic savings.

FDI is important not just for the dollars flowing in, but also because it brings know-how, cutting-edge technology and management best practices, even as it helps India plug into global value chains. It also helps improve India's human capital, thanks to an osmotic effect, increasing productivity as well as competitiveness. Before the recent decline of FDI, it was on an upward path. The

average annual inflow for the past five years is still around \$70 billion. This needs to rise to \$100 billion. An economy that promises high growth and a large domestic market can surely do so, but it has to roll out the red carpet for FDI from all over the world.

Globally, one of the biggest FDI sources is China, which last year alone poured \$148 billion into other economies, the world's third highest, at a time when global aggregate FDI flows were falling. China today represents a sizeable part of the world's savings and investible surplus, of which nothing comes to India. Even before the Galwan clash, India had issued its Press Note 3, restricting FDI from China. Countries without land borders with India have automatic entry, but Chinese investments are scrutinized case-by-case by the home ministry for national security risks. Since April 2020, when this rule came into effect, the government has received 526 proposals from Chinese investors, totalling \$11.6 billion worth of FDI. Of these, 201 were rejected and 200 are still pending. Meanwhile, some of that intended equity investment has entered disguised as long-term debt, while the rest has gone away. Of the cumulative FDI received since 2000, India approved only \$2.5 billion from China, less than 1% of the total.

In contrast, trade flows between India and China have grown healthily. At the turn of the millennium, bilateral trade was nearly balanced, with total trade being less than \$4 billion. But that grew to \$120 billion by 2023-24. China has been India's largest trading partner (not counting flows through Hong Kong or Taiwan) in the past 10 years, except for a year or two when the US or UAE edged ahead. The growth of bilateral trade has had a spectacular compound annual rate of 17% in dollar terms, much faster than the GDP growth rate of either economy. In 2001, India was ranked destination No. 19 for exports out of China. In the next decade or so, it jumped to sixth rank, illustrating the size of India's domestic market and its importance to Chinese exporters. Of course, the trade growth is quite skewed, with a large deficit that is adverse to India. Despite sustained efforts, including trade remedies like anti-dumping duties, Chinese imports continue to grow. But India enjoys a large surplus with the US,

which balances other deficits. India's current account deficit is below 1% of GDP.

The deficit with China can be partly offset by capital inflows to India. Even if 1% of China's vast foreign exchange reserves are deployed in India's infrastructure, it will substantially wipe out the trade deficit.

Compartmentalised aspects of bilateral ties can yield benefits without raising security risks

Investments in sectors such as infrastructure, automotive, renewable energy and electric vehicles (EVs) cannot be seen as threats to national security. The *Economic Survey* recommends that India become more receptive to Chinese FDI because it will boost our presence in global value chains, manufacturing competitiveness and exports. There are industries where China has assumed global leadership

and there is no way to cut ourselves off from those supplies. Chinese imports are important as inputs for crucial industries in India such as pharmaceuticals, specialty chemicals, electronics assembly, telecom equipment, solar energy and EVs. India is proud of the success of domestic iPhone assembly,

but that requires at least three critical Apple vendors with a Chinese connection. Two of them have recently been bought out by the Tata Group. A possible roadmap for future Chinese investments into India could use the template of MG Motors, a Chinese automaker which sold 38% of its shares to JSW, an Indian business group.

India must pursue a compartmentalised approach in its ties with China, with trade, investment, cultural and scientific exchange in one compartment and border issues and geopolitics in another. Even though China unilaterally changed the *status quo* on the border, it is possible to combine realpolitik with trade relations. We can learn from the US approach of a "high fence, small yard."

India cannot ignore China's \$7 trillion consumer market as a tremendous export opportunity. And there are many areas where Chinese dollar flows will not jeopardize national security. There could be bilateral investment deals that bypass the dollar currency risk as well. This calls for a hard-headed, open-eyed and nuanced strategy, which uses not just a military or security lens, but also economic and sociocultural considerations. Three billion people who are neighbours on this planet cannot be cut off from each other for too long.



THEIR VIEW

MINT CURATOR

Future generations may well be shocked by today's inequalities

The world needs to evolve a consensus on transferring money from the rich to the poor without hurting economic incentives



KAUSHIK BASU is a professor of economics at Cornell University and a former chief economic adviser to the Government of India.

While there are many ways to measure economic inequality, key metrics consistently show that disparities are getting worse. According to a recent United Nations report, 71% of the world's population now live in countries where inequality has increased.

Unsurprisingly, this includes India and China. A recent paper by Thomas Piketty and his co-authors shows that the income share of the top 1% in India has risen to its highest level since 1922, the earliest data that they have, when the country was still under British colonial rule.

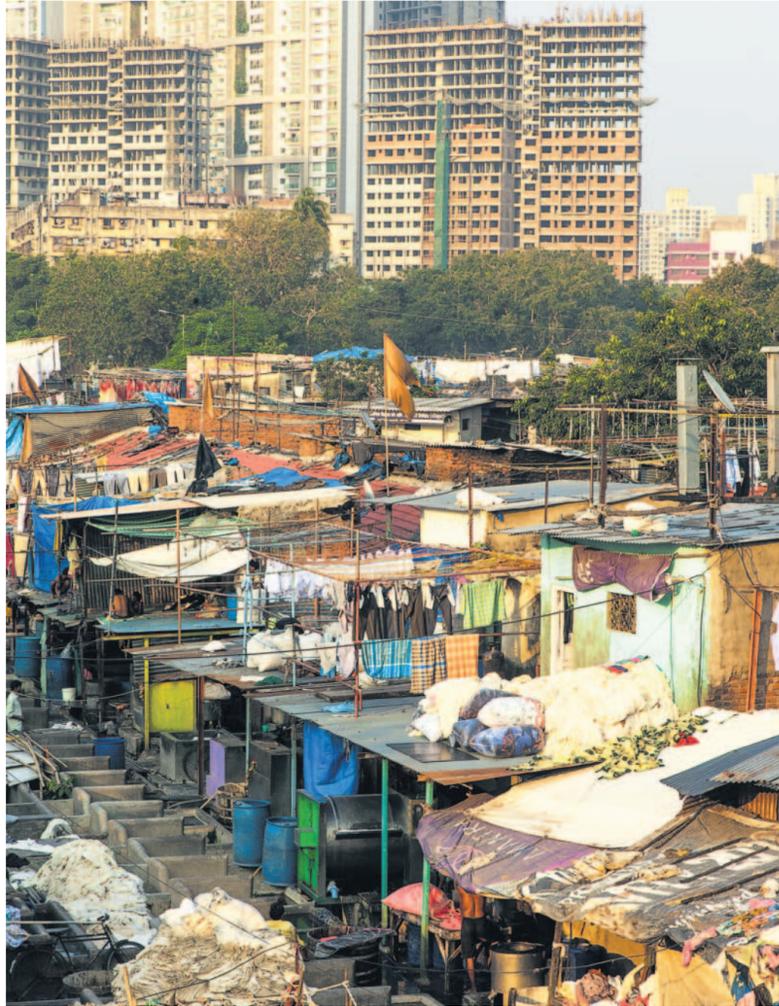
At the same time, global inequality remains extremely high. While billionaire wealth has reached unprecedented levels, the World Bank estimates that 712 million people worldwide survive on less than \$2.15 per day.

Future generations will likely be shocked that we have tolerated such extreme levels of inequality, just as we are horrified by our ancestors' acceptance of slavery. But as David Hume argued in the 18th century, moral imperatives ('ought') cannot be derived from objective facts ('is'). In other words, problems like inequality cannot be resolved through science or reason alone. Instead, we must highlight their moral implications to persuade people to act.

Two key aspects of global inequality deserve particular attention. First, economic disparities are set to worsen both within and across countries. As technological advances like artificial intelligence (AI) reduce demand for human labour, working-class households around the world could become increasingly impoverished. Meanwhile, those who own the machines and run the largest corporations are expected to amass unprecedented power and wealth. The US—home to nearly 38 million people living below the poverty line despite being one of the world's richest countries—provides a glimpse into this bleak future.

Second, extreme inequality poses a mortal threat to democracy, enabling billionaires and moneyed interests to influence elections, capture traditional and social media, and shape public perceptions. Regrettably, judging by social-media chatter and trolling, some of the strongest opposition to progressive taxation and redistributive policies comes from poorer segments of society, largely on account of misinformation and manipulation.

The toxic combination of extreme inequality and AI-powered misinformation is also a factor fuelling pressure on liberal democracies and the rise of authoritarian forces around the world. By enabling a few wealthy individuals to wield disproportionate influence, today's global economy increasingly marginalizes and disenfranchises



ALAMY STOCK

much of the world's population, effectively.

To be sure, misguided attempts to reduce inequality also carry significant risks. For example, trying to achieve perfect egalitarianism would be unwise, because some disparity is necessary to create incentives. Similarly, concentrating all wealth in the hands of the state, as the Soviet Union did, would lead to mismanagement of demand and supply and, ultimately, cronyism.

Instead, what we really need is a progressive tax system that redistributes incomes from the rich to the poor while preserving incentives. Fortunately, there is significant scope for such measures. In my recent book *Reason to Be Happy*, I propose a tax regime that I call the 'accordion tax,' which aims to narrow the income gap by taxing high earners and transferring the revenue to those with lower incomes.

While this model essentially functions as a progressive tax system, its strength lies in its micro structure. Beyond a certain point, the super-rich no longer seek to earn more to buy things. Simply put, after the fifth yacht, the sixth is merely a status symbol aimed at outdoing other wealthy individuals.

By taxing all incomes above a certain threshold

and transferring this money to those earning below it, governments could reduce inequality without harming incentives. The richest person will remain the richest, and the second-richest person will work just as hard to reach the top. But the incentives of the middle and working classes, whose members work primarily to make ends meet rather than try to surpass their neighbours, will remain intact.

Although the accordion tax could act as a powerful tool for reducing inequality at the national level, today's globalized economy poses significant implementation challenges. If a government taxes high incomes too aggressively, it risks triggering capital flight.

Thus, reducing global inequality requires multi-lateral agreements. While the United States is well-positioned to lead this effort, its ability to do so depends on the outcome of November's presidential election. Vice-President Kamala Harris, the presumptive Democratic nominee, offers hope for greater distributive fairness. By contrast, a victory for former President Donald Trump will likely cause inequality to worsen. We can only hope that American voters make the right choice this November.

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Trump's poll campaign against Harris has grown even harsher

The US Vice-President's emphasis on unity over division is a relief



NIA-MALIKA HENDERSON is a politics and policy columnist for Bloomberg Opinion.



Kamala Harris has had to shrug off a volley of racist and sexist remarks

The Republican approach to US Vice-President Kamala Harris is terrible.

Compared to Harris's upbeat, future-oriented campaign, Donald Trump's looks stuck in a doom loop. While House Speaker Mike Johnson has urged his caucus to focus on policy and not personality, Trump and his allies look ready to ignore this good political advice. This will damage his campaign (and the US), but it seems like the only way Trump knows how to run. Racism and sexism are very powerful forces in American politics and have often worked to great effect. Aware of this, Trump and his allies have trotted out their greatest hits of tropes that amplify both.

The problem? Voters have heard it all before. Specifically in 2008 (Barack Obama) and 2016 (Hillary Clinton).

'Make America Great Again' Republicans mispronounce Harris's first name on purpose. Been there, done that with Obama's middle name, Hussein. Trump calls her a "nasty woman," just like he did with Clinton. (It's women—strong and powerful ones—who are always the nasty ones). He and his supporters also seem obsessed with her prior dating life. And they label her an unqualified DEI (diversity, equality and inclusion) candidate who plays the race card, though she has more experience in public office than Trump and his running mate Senator J.D. Vance combined.

Speaking of Vance, during a recent trip back to his hometown of Middletown, Ohio, he suggested that Harris doesn't quite get how wonderful her country is.

"Not everything's perfect. It's never going to be. But you, if you want to lead this country, you should feel grateful for it," Vance said. "You should feel a sense of gratitude. And I never hear that gratitude come through when I listen to Kamala Harris." This, of course, harkens back to 2008 when Republicans suggested that former First Lady Michelle Obama wasn't proud of her country. And it's clear that Harris's Jamaican and Indian ancestry is fuelling much of that rhetoric. It hasn't taken long for Trump's base to start their birtherism crusade, an old favourite of theirs, against the American-born Harris.

Vance also evidently has a problem with women who haven't birthed children. A 2021 clip of Vance naming Harris among the "childless cat ladies" who shouldn't run the country resurfaced, drawing the ire of many, including celebrities such as Jennifer Aniston. Harris has two step-children, but apparently, step-children don't count.

And the strategy doesn't stop at predictable sexist and racist tropes. In a memo

from the National Republican Senatorial Committee, GOP senators were urged to play up "weird" aspects of Harris. Her laugh, love of Venn diagrams and electric school buses made the list, along with wanting to ban plastic straws and supposedly wanting to ban eating red meat.

Of course, Trump will also run against Harris based on her record. His campaign will continue calling her the "border czar" who failed to do her job. They will highlight her track to the left during the 2020 Democratic primary, her prosecutorial record and negative aspects of the Biden administration's record. But even then, [the truth of this message will be doubtful]. He and his supporters already claim that she hates Jews, which would be news to her Jewish husband, Doug Emhoff.

In sum, Trump will argue over the next 100 days that Harris, the nation's sitting vice president, is a "radical crazy person" and a "radical left lunatic," as he said at a rally in North Carolina.

"We're not ready for a Marxist President, and Lyin' Kamala Harris is a RADICAL LEFT MARXIST, AND WORSE!" Trump posted on his social media platform last week.

Even as Republicans try to focus on Harris's record, Trump knows that presidential elections are mostly about emotions. So he has (again) resorted to fear and anger. But his broken-record rhetoric actually helps Harris make the central point of her campaign, which is this: Trump represents the past—grievances and division. Harris represents the future—hope and unity.

Harris has chosen Beyoncé's song *Freedom* for her campaign. It's a rousing anthem, and in her first video ad, Harris says: "We choose freedom. The freedom not just to get by, but to get ahead. The freedom to be safe from gun violence. The freedom to make decisions about your own body."

There's a great line in the song that sums up Harris's approach to Trump's whirlwind: "Tell the storm, I'm new."

Indeed, this is a different moment. And an African-American and South Asian woman could be the perfect candidate to finally grant the country freedom from Trump. America needs freedom from chaos agents and open peddlers of old and divisive lies.

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MY VIEW | IT MATTERS

The East is ahead of the West on facial recognition tech

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In 2020, Microsoft, Amazon and IBM announced they would halt the sale of facial recognition technology to police forces. Ethical concerns and the potential for racial bias in these systems primarily drove this decision. I had written back then that while these Big Tech firms were responding to pressure in the wake of the Clearview AI scandal, work on facial recognition tech would continue unabated (bit.ly/4c82BQv). To jog your memory, Clearview AI, without specific permission, was accessing all platforms, like Facebook, Instagram and others, that may have had images of our faces.

At the time, Microsoft extended its moratorium on selling facial recognition tech to police indefinitely, emphasizing the need for government regulation before resuming these sales. Amazon initially placed a one-year moratorium on police use of its facial recognition technology, Rekognition, and has since extended this ban. IBM took a clearer stance by exiting the general-purpose facial recognition market, shifting its

focus to more specialized applications such as visual recognition for specific industrial purposes. These companies have largely adhered to their promises, but they continue to develop and deploy facial recognition tech in other sectors.

Meanwhile, other companies have filled the gap. International markets, particularly in countries with less stringent regulations, continue to see enthusiastic development and deployment of facial recognition tech. A wag once told me that due to facial recognition and advanced location technologies, at least three governments and possibly 5-6 Big Tech and probably several startups always know precisely where you are. Given the value and convenience that this technology offers ordinary people, this is a good thing.

However, when it comes to racial differentiation, the story is very different—and this is an issue that crops up more often in multi-racial societies, like the US, which explains Big Tech's skittish stance. The issue is that studies have consistently shown that commercially available facial recognition systems are significantly more likely to make errors with faces with skin tones that are not Caucasian. This discrepancy can lead to severe consequences, such as wrongful arrests and prejudice reinforcement.

US government research indicates that facial recognition systems are 10-100 times more likely to misidentify individuals with darker skin tones (bit.ly/3WObwCn). In the hands of law enforcement, such error rates can be dangerous; this highlights the need for improved accuracy and bias mitigation in these technologies, which was why Big Tech firms pulled back. In Microsoft's case in 2019, its software had almost ten times more false positives for women of colour than men of colour (bit.ly/3WNbJFM), while some years prior, Google's technology was labelling African people as gorillas (bit.ly/3W7f7Vz). It was wise to exit.

Despite the problems observed in the US, India and China have continued to implement this technology extensively, often with claims of high accuracy. This may be because there is less racial heterogeneity in these countries, but there are other reasons as well, primarily governmental support for its use. The accuracy rates claimed by facial recognition systems in India are

generally high, supported as they often are by integration with national identification systems such as Aadhaar.

China has invested heavily in facial recognition technology, with claims of high accuracy rates supported by large-scale data collection and integration with various surveillance and identification systems. The Chinese government reports accuracy rates as high as 99%, though these figures are not always independently verified and may be influenced by Beijing's investment in state control and surveillance programmes. In China, independent verification and the ethical implications of these technologies remain areas of concern.

Several factors might explain high accuracy claims in India and China that contrast with America's experience with facial recognition. Government backing of projects, with significant funding combined with access to governmental resources, for example, could have made a difference. India and China both have much

larger populations than other countries in the world, so their access to vast databases of images allows for more comprehensive training of facial recognition algorithms, improving their accuracy. Moreover, combining facial recognition with other identification methods (such as national ID systems) can enhance the overall accuracy of these systems. Regulatory frameworks in India and China also tend to be less stringent than in the US, allowing for more flexible and widespread deployment and iterative improvement of facial recognition technology. At least in India, this has offered citizens convenience, such as faster security checks during air and rail travel.

Microsoft, Amazon and IBM's commitments to stop the sale of facial recognition technology to police forces have been widely endorsed in the US, reflecting a response to ethical and societal concerns. Despite this, the development of facial recognition technology has continued unabated, as I had predicted. While racial bias remains a significant issue in the US, India and China continue to advance their facial recognition systems, claiming high accuracy rates. To my mind, this accuracy will increase. And in India, its use cases have so far been of great value to people at large.



What does it mean to be actively empathetic?



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Cultivating a culture of empathy can strengthen personal relationships and help build an unbiased society that celebrates diversity

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In a bustling Mumbai office, Krishna Tanna, a content writer experienced a moment of profound connection that reshaped her understanding of empathy. Struggling silently with personal issues, she was met not with questions or advice, but with a quiet, compassionate presence. Her colleague simply listened, offering a space where Tanna felt safe to express her feelings without fear of judgement. This experience was a revelation; it taught her that empathy is more than just an emotional response—it's a deliberate act of holding space for someone else's experience.

Coined by psychologist Edward B. Titchener from the German term *empathie* in 1909, empathy involves more than just understanding another's feelings; it is about deeply connecting with their emotional experiences. Kratika Gupta, founder of Gen-Z Therapists, Kolkata describes empathy as "the ability to put yourself in another person's shoes, to see their world through their perspective and feel what they are feeling". This definition highlights the dual nature of empathy—both cognitive and emotional.

Tanu Choksi, a psychotherapist based in Mumbai, adds that this act of 'stepping into someone else's emotional shoes' involves not only recognising their feelings but also feeling compassionately with them. She emphasises

that empathy connects us deeply with others, enhancing our ability to support and understand each other. This connection is not just intellectual but deeply emotional, allowing us to share in others' experiences in a meaningful way. Neelima Sadanand, a media professional based in Bengaluru, highlights the practical aspect of empathy, which involves actively listening and being present for others. She notes that empathy is about "providing support in a way that meets the other person's needs." This perspective underscores empathy's active and engaged nature, requiring more than just passive understanding.

STRENGTHENING CONNECTIONS

Empathy plays a vital role in both personal relationships and broader societal contexts. The benefits it proffers include:

► **Enhancing personal relationships:** Empathy allows individuals to form deeper connections, improve communication, and resolve conflicts more effectively. Choksi emphasises that empathy "enhances emotional intelligence, helping individuals navigate social interactions with greater awareness and compassion." This is particularly important in building trust and intimacy, as understanding and sharing emotions creates a solid foundation for supportive relationships.

► **Promoting altruism and community:** Empathy extends beyond individual relationships to inspire prosocial behaviours, such as volunteering and charitable acts, which are crucial for a healthy society. Shambhavi Kumaria, a counselling psychologist based in Chandigarh, points out that empathy promotes altruistic actions and fosters a sense of community by encouraging people to help others and support societal well-being. This sense of shared

humanity can lead to more cohesive and supportive communities.

► **Reducing prejudice and enhancing inclusivity:** By fostering an understanding of diverse perspectives, empathy can break down societal barriers and reduce prejudice. Gupta explains that empathy helps individuals see beyond their biases and appreciate the experiences of others, which is essential for fostering inclusivity and reducing discrimination. This understanding is crucial in creating environments where diversity is celebrated and differences are respected.

► **Supporting mental health:** Empathy is crucial in supporting mental health, both individually and collectively. It fosters environments where people feel understood and supported, reducing the stigma around mental health issues and encouraging open discussions. Choksi emphasises that empathy in mental health contexts helps individuals feel seen and validated, which is crucial for healing and personal growth.

BUILDING AWARENESS

Cultivating empathy is an ongoing process that

involves deliberate practice and self-awareness. Fostering it includes the components of:

► **Active listening and mindfulness:**

Active listening is a foundational skill for developing empathy. It involves fully engaging with the speaker, without interruption or judgement, which helps in understanding their emotions and experiences. Mindfulness enhances this by helping individuals stay present and attuned to their own and others' emotional states.

► **Self-awareness and emotional reflection:** Understanding and managing one's own emotions are critical for developing empathy. Not only does this self-reflection help regulate one's emotions, it also helps in identifying personal

To avoid emotional fatigue and burnout, highly empathetic individuals need to set clear personal boundaries



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TAKE A DAY OFF

For BV Dattatri, chairman of Kala Sourabha Foundation, a Bengaluru-based fine arts training academy, detoxing digitally started a year ago as an experiment. It soon became a way of life. Dattatri, also a classical vocalist trainer and performer,

takes a break from the screen every Wednesday. "A friend of mine used to practice digital detox every Thursday and while initially, it was very difficult for everyone to stay in touch with him, his friends and family gradually changed and learnt not to disturb him on Thursdays,"

FORMS OF EMPATHY

► **COGNITIVE EMPATHY:** It involves understanding another person's mental state and thoughts. It is intellectual empathy that helps navigate complex social situations and avoid misunderstandings. Kratika Gupta explains that cognitive empathy allows us to engage in active listening, understand different perspectives during conflicts, and offer thoughtful responses based on understanding the other person's viewpoint.

► **AFFECTIVE EMPATHY:** This is about sharing and resonating with the emotions of others. Shambhavi Kumaria describes it as "mimicking their emotional responses," which can include feeling joy, sadness, or distress in tandem with someone else. Choksi further elaborates that affective empathy allows us to connect deeply with others' emotions, providing comfort and support during times of distress. This emotional resonance is crucial in building strong, empathetic relationships.

► **SOMATIC EMPATHY:** This type involves experiencing physical sensations in response to others' emotional states. Gupta describes it as "feeling physical sensations in response to another's experiences," such as feeling queasy when seeing someone in pain. This form of empathy underscores the interconnectedness of our physical and emotional states, highlighting how deeply we can be affected by others' experiences.

biases and improving one's capacity to empathise authentically.

BOUNDARIES ARE IMPORTANT

While empathy is a powerful tool for building connections and promoting social harmony, it is not without its challenges. Highly empathetic individuals often struggle with emotional overwhelm and burnout. Setting boundaries is essential to maintain emotional well-being. Sadanand discusses the challenge of balancing empathy with self-care, stressing the importance of not sacrificing one's own well-being for others. Gupta notes that empathetic individuals often feel physically and emotionally drained, highlighting the importance of recognizing these challenges and addressing them proactively. Kumaria says that empathy needs to learn how to protect their emotional well-being through practices like therapy, mindfulness and setting clear personal boundaries. "Maintaining a balance between empathy and self-care is crucial for sustaining one's capacity to empathise without succumbing to emotional burnout," she notes.

In a world often marked by division and misunderstanding, empathy is not just a personal virtue but a societal necessity. It fosters deeper understanding and compassion, crucial for building resilient personal relationships and cohesive communities. By developing empathy, we enhance our emotional intelligence and contribute to a more compassionate and inclusive world.



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Olympians and their hi-tech sporting gear

From recovery sleeves to sleep pods, it's all about tech-enabled gear in Paris

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This has been a busy summer of sports. It started with the big ICC T20 World Cup win for India in the West Indies. Then came the Euros where Spain's young guns spun circles around every single opponent on their way to a comfortable victory in Germany. The Carlos Alcaraz show at the French Open and Wimbledon was squeezed between all of this, and now we are watching the Paris Olympics. Clearly, this is the season to do everything that star athletes do. Using the same products and equipment as the athletes should be reason enough not to slack off your training despite the heat or rain the weather gods have been subjecting us to. In case you were wondering where to look, here's a quick round up of the latest, innovative gear that Olympians are using:

► **TRAINERS:** The Indian athletes competing at the Paris Olympics received a suitcase, a carry-on suitcase and a backpack from Puma with everything they are likely to need in Paris. Among the gear, there is a pair of the company's top line trainers: Fast-R Nitro Elite 2. Another pair that you would find on several Olympians' feet is the Pegasus 41. One of Nike's most popular all-round shoes, it's the 41st iteration of a shoe that was originally designed for recreational long-distance runners.

► **NUTRITION AND HYDRATION:** At the elite levels of sports, where the finest of margins make a huge difference, there are minor differences in nutrition and hydration intake depending on the sport, training phase and the athlete's individual needs. Many of the Indian athletes currently in Paris, including steeple-chaser and multiple national record holder Avinash Sable, middle distance runner Ankita Dhyani and several shooters, badminton and hockey players, use Fast N Up energy gels, whey protein advance and Reload hydration supplements.

► **CRYO AND CONTRAST COMPRESSION THERAPY:** One of the machines being used in the Indian recovery room at the Olympics is the Game Ready machine. These machines are used to deliver cryo as well as contrast therapy to athletes post-training or after a game. This is also extensively used in athlete rehab after an injury. The machines help fatigued muscles recover quickly.

► **NORMATEC AIR COMPRESSION SLEEVES:** Elite footballers across Europe lug a backpack with Normatec recovery leg sleeves to the ground on every game day. The Indian recovery room in Paris too has them handy for our athletes. The Normatec recovery system uses air compression to massage legs and helps improve blood circulation. Many players use it both pre- and post-game as it has pre-programmed therapies depending on what one might need, including a mode that can help you sleep.

► **SLEEP PODS:** News has it that Indian Olympians are lining up one after the other to use the three sleep pods that have been purchased by the Sports Authority of India to help athletes combat their sleep issues. These extremely hi-tech devices are equipped with a comfortable mattress, partial external noise reduction, finger touch door operation and ample ventilation.

Don't go cold turkey, go for a sustainable digital detox

Going on a digital detox doesn't mean saying goodbye to your phone. It's about adopting smart hacks to use it minimally

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Picture this: You want to read a book but as soon as you open the first page, you have an itch to check your phone for new messages. Once you do, you start scrolling and before you know it, an hour has passed by. Raise your hand if you wanted to check just that one recipe before you went to bed and ended up spending hours doom scrolling at the cost of your sleep and your next day's routine.

Yes, all of us have been guilty of these practices as the screen has become an indispensable part of our lives – be it for professional or personal reasons. Experts however, believe that if we set our minds to it and can take a break from it mindfully, it could do wonders to our mental and physical health. This is

where digital detox, a buzzword in recent times, enters the picture. While the concept sounds pleasing, the act of bidding adieu to our gadgets, especially smartphones suddenly, may cause more duress and withdrawal than one can imagine. *Mint* speaks to people on how to practise digital detox sustainably and practically.

When she got tired of watching reels in her free time, Maria George, a Mumbai-based baker who runs the brand, Plattered, decided to go off social media. "The two-minute break would often turn into a 20-minute one and I wasn't able to focus on anything. Social media was not helping me in any way and I didn't want to see other people's lives anymore as it just didn't matter," she states. Terming the mobile as the "idiot box" of today, she says that getting off social media has given her a lot of time to pursue other interests of hers such as writing or block printing. "Earlier, I would reach for the phone as soon as I woke up, but now, I can focus better on my brand as well as my hobbies. Of course, we can't completely switch off work. So, I use Whatsapp for communication, and if I really need to use social media, I use it on the browser," shares George.



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he says while talking about what set him off on the detox mode. The same happened with Dattatri once he implemented the 'No screen on Wednesday' rule. "As I started practising it regularly, my family and friends knew not to disturb me on Wednesdays. I had plenty of time to focus on every task that I did. If I had any extra work, I would keep it for a Wednesday as I felt like I had 24 hours all to myself."

Here, Dattatri clarifies that digital detox is not 'zero phone usage' but 'zero internet usage'. "75% of the time that we spend online is a waste. But if we use technology for minimum requirements such as making calls or conducting meetings, we'll be more productive and happier too," he notes.

According to health experts, reducing screen time is challenging yet doable. Sajeev Nair, founder and chairman, Vieeroots Wellness Solutions, a Bengaluru-based health tech start-up says, "With 24X7 social media, Netflix and breaking news, a digital detox is tough but not impossible. The primary solution is to realise that endless scrolling is an addiction as it is driven by dopamine." The risk here is higher however, says Nair, as digital addiction is not considered a taboo. It can go deeper, which makes it difficult to

quit." Nair, who is also a longevity researcher and biohacker, believes that the brain is an evidence-seeking machine and hence, can overcome anything including staying away from the screen.

HOW TO TAKE A SCREEN BREAK

► **Start small.** Set a fixed time for yourself minus your phone. It could be an hour in a day, or a day in a week.

► **Practice meditation and journaling.** These activities not only keep you away from the screen but also help you be mindful of your digital practices.

► **Plan activities in advance for the screen-free time.** It could be trekking, swimming, yoga, reading, gardening, baking or anything else you like.

► **Switch to browser mode.** Accessing social media from your browser does help you slow down, believes Maria George. "The suggestions are fewer and you need at least two extra clicks to get to where you want. Since it's slower and more annoying, you end up not using social media," she says.

► **Reward yourself.** Whether it's enjoying an interesting series or digging into a sumptuous meal at your favourite restaurant, pamper yourself when you meet your goals.