Govt to amend 2 Acts for PSBs' privatisation

It is expected that these amendments may be introduced in the Monsoon session or later during the year

NEW DELHI

TO facilitate privatisation of public sector banks (PSBs), the government is likely to bring amendments to two legislations later this year.

Amendments would be required in the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 and the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980 for privatisation, sources said. These Acts led to nationalisation of banks in two phases and provisions of these laws have to be changed for privatisation of banks, they said. As the government has already announced the list of legislative business for the Budget session, it is expected that these amendments may be introduced in the Monsoon session or later during the year, sources added.

The ongoing Budget session is scheduled to take up as many as 38 Bills including the Finance Bill 2021, Supplementary Demands for Grants for 2020-21 and related Appropriation Bill, National Bank for Financing Infrastructure and Development (NaBFID) Bill, 2021, and Cryptocurrency and Regulation of Official Digital Currency Bill, 2021. Finance Minister Nirmala Sitharaman while presenting Budget 2021-22 earlier this month had announced privatisation of Public Sector Banks (PSBs) as part of disinvestment drive to garner Rs 1.75 lakh crore.

"Other than IDBI Bank, we propose to take up the privatization of two Public Sector Banks and one General Insurance company in the year 2021-22," she had said.

Later in one of the post Budget interactions, the Finance Minister had said the government will work with the Reserve Bank for execution of the bank privatisation plan announced in the Union Budget 2021-22. "The details are being worked out. I have made the announcement but we are working together with the RBI," she had said, when asked about the proposal. The government last year consolidated 10 public sector banks into four and as a result the total number of PSBs came down to 12 from 27 in March 2017. As per the amalgamation plan, United Bank of India and Oriental Bank of Commerce were merged with Punjab National Bank, making the proposed entity the second largest PSB. Syndicate Bank was merged with Canara Bank, while Allahabad Bank was subsumed in Indian Bank.

Andhra Bank and Corporation Bank were amalgamated with Union Bank of India. In a first three-way merger, Bank of Baroda merged Vijaya Bank and Dena Bank with itself in 2019. SBI had merged five of its associate banks - State Bank of Patiala, State Bank of Bikaner and Jaipur, State Bank of Mysore, State Bank of Travancore and State Bank of Hyderabad- and also Bharatiya Mahila Bank effective April 2017

FM addresses RBI board, explains priorities of govt

NEW DELHI

FINANCE Minister Nirmala Sitharaman on Tuesday explained the government's priorities to the Reserve Bank of India's central board during their first meeting after presentation of the Union Budget 2021-22.

As per the tradition, the finance minister holds customary meeting with the board members of the RBI and the Securities and Exchange Board of India (Sebi) after Budget presentation every year. The finance minister addressed the 587th RBI central board meeting and informed the members about the key initiatives in the Budget and the priorities of the government, RBI said in a statement. "Complimenting the finance minister on the budget, the board members made various suggestions for consideration of the government," it added.

At its first meeting after the presentation of the Budget for 2021-22, the central board of directors also reviewed the current economic situation. "The board in its meeting reviewed the current economic situation, global and domestic challenges and various areas of operations of the Reserve Bank, including ways for strengthening of grievance redress mechanism in banks," it said. The meeting on Tuesday was chaired by RBI Governor Shaktikanta Das through video conferencing.

The government's nominee directors on the board - Financial Services Secretary Debasish Panda and Economic Affairs Secretary Tarun Bajaj - also attended the meeting. Apart from Sitharaman, Minister of State for Finance Anurag Singh Thakur, Finance Secretary Ajay Bhushan Pandey and Department of Investment and Public Asset Management Secretary Tuhin Kanta Pandey were also present. Earlier this month, the finance minister presented a Rs 34.5 lakh crore-budget for 2021-22 in the backdrop of the coronavirus pandemic.

The budget has laid emphasis on increasing capital expenditure, raising allocation for healthcare capacity building and development of agriculture infrastructure, among others, which are expected to have a multiplier effect on the economy.

Nirmala Sitharaman, Finance Minister

Krishnan Ramachandran, MD & CEO, Max Bupa, addressing mediapersons in Hyderabad on Tuesday. He is flanked by Bhabatosh Mishra and Praveen Pathak

Max Bupa opens four branches in Telangana

HYDERABAD

MAX BUPA, health insurance company, announced on Tuesday that it would strengthen its presence in Telangana by opening four new branches – two in Hyderabad, one each in Warangal and Nizamabad.

Addressing media persons in Hyderabad today, Krishnan Ramachandran, Managing Director and Chief Executive Officer, Max Bupa, said, "The insurance company aims to provide health coverage to over 3.5 lakh people in the next five years in the State." "The customers can avail cashless hospitalisation through 300 network hospitals in the State and 6,000 plus hospitals across the country. Our target is to clock Rs 240 crore gross written premium and 20 times growth in policy purchase from the new branches in next five years," he said. The company has a 37 per cent growth in FY21 with a 1,700 crore gross premium sales. Over all 28 lakh customers avails their products and has a 91 per cent claim settlement ratio.

Unions fear corporatisation of major ports

Continued from P1

As per Section 42, deposits may go to private banks. There will be no job security for employees. There is no guarantee of pension once the nomenclature of major ports changes, Masen, general secretary of Visakhapatnam Harbour & Port Workers' Union, said. Besides Visakhapatnam, Paradeep, Jawaharlal Nehru, Kolkata and Deendayal (Kandla) are among 11 major ports which are under the administrative control of the Central Government. The major ports have a workforce of 25,000 and a large number of pensioners. They fear that once the major ports become landlord ports by allowing private investors to run the berth operations, they will face job cuts and pay cuts. Already the Centre is planning to prune the staff size by introducing a special voluntary retirement scheme. The stevedores also feel that automation will make them jobless.

United Port & Dock Employees' Union general secretary V S Padmanabha Raju said the new legislation under the garb of autonomy to the major ports would make them companies. The majority in the boards might also go to the BOT operators making the ports private bodies for all practical purposes. He said there could be an attempt to sell away valuable lands of Visakhapatnam, Jawaharlal Nehru and other major ports to various corporates to raise funds under some pretext or the other, adding certainly the initiative taken by the BJP-led NDA Government was detrimental to national interest and security. Bharatiya Mazdoor Sangh (BMS), which is close to the ruling dispensation, welcomed the Major Port Authorities' Bill, 2020. BMS all India vice-president M Jagadeeswara Rao said they wanted the majority of berths to remain under the government control and new ports should not be allowed to come up within a radius of 100 km to avoid unhealthy competition.

> Already, the Centre is planning to prune the staff size by introducing a special voluntary retirement scheme. The stevedores also feel that automation will make them jobless

Is Nureca's IPO fraudulent?

Continued from P1

This is a wholly owned company of a private limited company and shares are issued to the promoter free of cost. For five years nothing much happens. Suddenly during lock down, sales zoom and profits sky rocket.

The management cashes out big time and issues a bonus of 600 per cent. To get the share issue stage managed he also does a private placement of 5 lakh shares at Rs 100. And to cap it all, a public issue of Rs 100 crore at a price of Rs 400. This says it all.

Robinhood investors, take your call in subscribing to such an issue where credentials are suspect and the share would trade in the trade-to-trade category for the first 10 trading sessions.

(The author is the founder of Kejriwal Research and Investment Services, an advisory firm)

Consumers expand shopping basket in Dec quarter

Buy more than just essential goods as in-home consumption sees a shift, says KIE report

Kumud Das
Mumbai

Significant surge in demand for staples and convenience foods witnessed during the lockdown phase ebbed during the quarter with consumers broadening their purchase assortment and lower 'at-home' consumption on the back of increased mobility

COMPANIES reported moderation in growth of packaged biscuits, flour and sanitizers as consumers went easy on such purchases and expanded their shopping basket to include personal care and discretionary products in the December quarter.

December quarter earnings of India's top FMCG companies gives a sense of how in-home consumption has shifted as the country opened up and consumers bought more than just essential goods, a Kotak Institutional Equities (KIE) report says.

Significant surge in demand for staples and convenience foods witnessed during the lockdown phase ebbed during the quarter with consumers broadening their purchase assortment and lower 'at-home' consumption on the back of increased mobility. As a result, ITC's Savlon range of health and hygiene products sustained its high growth trajectory, albeit at a relatively lower pace as compared to the previous two quarters. Its Aashirvaad flour and Sunfeast biscuits, which had witnessed significant surge in demand in H1CFY, moderated during the quarter. YiPPee! noodles and Bingo! snacks reported strong growth in the quarter, the report added. Marico's Saffola cooking oil and oats reported strong growth during the December quarter. Heightened demand for staples and convenience foods benefitted companies in the first half of the year.

Britannia Industries reported a six per cent growth in Q3 revenues, a climb down from the 26 per cent, year-on-year surge in sales reported in Q1CFY, due to increased mobility and lower consumption in offices, stations. However, the company drove impressive margin expansion resulted in a strong earnings growth.

Sale of hygiene products was more broad-based, with branded sanitizers reporting a sharp dip in sales growth.

Dabur's sanitizer category has become 'commoditised' over the last few months and the momentum is lost.

Dabur India CEO, Mohit Malhotra, said: "The launch of hand sanitizers and some home and hygiene products was contextual to meet the growing consumer need in the initial days of the COVID pandemic. We always knew that the launch was tactical in nature and these would be rationalized with time. The hand sanitizer category in particular has witnessed heightened competition in the recent quarters and there is a surplus capacity now with the category becoming completely commoditised. The recent months have seen a drop in demand for hand sanitizers, and even related categories around sanitizers have not moved well in the last quarter. That said, other hygiene products like hand wash etc continue to perform well." Marico said that launches in the hygiene segment -- sanitizer, vegetable cleaner and out-surface disinfectants, etc -- contributed to 1 per cent of revenue till Q3 CFY. However, going forward, it has consciously withdrawn investments and defocused from this segment. Godrej Consumer Products, that rolled out over 10 new products in the hygiene and home cleaning segment, said the hygiene trend is more "broad based". It expects demand for cleaning products to sustain.

Consumers are also back to buying more discretionary items as well as personal care products as markets opened up and festive-led movement prompted them to spend more.

Hindustan Unilever's beauty and personal care segment witnessed a 9.7 per cent, year-on-year revenue growth in the December quarter aided by price hikes taken in personal wash category. In the June quarter, category sales growth was down 12 per cent.

ITC said that discretionary and 'out-of-home' consumption products witnessed smart recovery buoyed by pent-up demand and increased availability across channels.

Marico's value-added hair oils saw a 21 per cent volume growth in Q3. Its more premium personal care products such as hair nourishment, male grooming and premium skin care, reported sequential revival in demand during the quarter, but posted a 4 per cent volume decline year-on-year.

Chinese investor in Koo's parent firm on way out

New Delhi

THE Chinese investor in the parent firm of Koo, India's answer to Twitter, is on its way out after other investors have pledged to buy out its 9 per cent stake, Koo's co-founder and CEO Aprameya Radhakrishna said.

Koo, which caught public attention after the Indian government's tussle with Twitter over the removal of inflammatory contents, has crossed over 3 million downloads with about a million active users. Koo's investors include Accel Partners, 3one4 Capital, Blume Ventures and Kalaari Capital. Additionally, global venture capital firm, Shunwei, is also an investor in Bombinate Technologies, the parent of Koo. Shunwei Capital, which is led by a partnership team that includes people of Chinese origin, had invested in the earlier product of Bombinate, an app called Vokal. Since Bombinate has pivoted its primary business and focused on Koo, Shunwei has committed to exiting the company, he said. "Back in 2018, when we had just started with question-answer app Vokal, we got interest from Shunwei, which was a prolific Chinese investor in the content space," Radhakrishna told in an interview. Shunwei had invested across multiple companies in India and Bombinate was one of them. "Over 2018 to now, Koo was started as an experiment and it gained traction. We had no idea, this will be a national sentiment product and that we should not take money other than Indian or something that is welcome," he said. "Nobody really questions at Vokal. It's about Koo." He said when the investment happened, Koo didn't exist. "Koo started getting traction recently. And the latest round of investment ($ 4.1 million in Bombinate) was led by 3one4 Capital and Shunwei hasn't participated. We actually made sure that there is no more participation from Chinese investors," he said. Shunwei, he said, is on its way out. "Exits are a matter of timing. You need to have the interest to buy out existing shareholders as well," he said. "First priority was to infuse capital into the company. And there will be more interest we will request Shunwei to exit. We now have enough interest to buy them out. They have also agreed to exit and this is in the process." He did not say who would buy out Shunwei. Shunwei Capital, he said, held about 9 per cent interest in Bombinate. Due to the increased restrictions on Chinese investors in India, the exit procedure was working through the required checks and clarifications before being completed. The company expects this exit transaction to be concluded very soon, pending the necessary compliance and governance procedures. He said Koo, through which Indian language users can communicate in their own language, houses all data and associated services in India.

Indian firms to turn to AI for decision-making by 2023

New Delhi

OVER 40 per cent of consumer-focused AI systems in finance, healthcare, government and other regulated sectors in India will include provisions to explain their analysis and decisions by 2023, a new IDC report said on Tuesday.

Indian organisations are looking for technology vendors and integration partners to bridge the talent gap and enhance decision-making capabilities.

"AI is turning out to be helpful in directing decisions on everything from bank loans, risk assessment, automated customer service, crop advisory, healthcare and others," said Swapnil Shende, Senior Market Analyst, IDC India. By 2025, the number of data analysts and scientists to adopt AutoML for the end-to-end machine learning pipeline from data preparation to model deployment will double in the country.

AIOps will become the new normal for IT operations, with at least 40 per cent of large enterprises adopting AIOps solutions for automating major IT system and service management processes by the same time, the IDC predicted.

"Businesses are embracing technologies like conversational AI and machine learning, driven by their business objectives of innovation, resiliency, and offering transformative experiences," said Rishu Sharma, Principal Analyst, Cloud and AI, IDC India.

By 2026, 20 per cent of all AI solutions will be closer to AGI (artificial general intelligence) - leveraging neuro-symbolic techniques that combine deep learning with symbolic methods to create robust humanlike decision making.

"By 2024, 50 per cent of enterprises will run varying levels of analytic and AI models at the edge and 30 per cent of those edge AI applications will be accelerated by heterogeneous accelerators," the report mentioned.

HealthifyMe eyes $400 mn revenue run rate

New Delhi

HEALTH and fitness app HealthifyMe on Tuesday said it has seen a significant acceleration in business with a strong growth in user base, and is on track to touch $ 400 million-revenue run rate (over Rs 2,900 crore) by the end of FY24-25.

The company crossed $ 25 million annualised revenue run rate last month, 25 per cent higher than the projections the company had made in the last quarter. Revenue run rate is a term used in online retailing to indicate the total value of merchandise sold through the marketplace over a certain period of time.

Indian ad spends to rise 23.5% in 2021, after 21.5% fall in 2020

Mumbai

ADVERTISING spends across media platforms in India will grow by 23.5 per cent in 2021 to Rs 80,123 crore in 2021 after a sharp 21.5 per cent decline in the pandemic-hit 2020, a media buying agency estimated on Tuesday.

Terming the estimates as "not optimistic, but realistic", GroupM South Asia's chief executive Prasanth Kumar pointed out that they will still be lower as compared to the nearly Rs 83,000 crore achieved in 2019. Weeks before the announcement of the pandemic, the agency had estimated a 10.7 per cent growth in ad spends for 2020 to Rs 91,641 crore. India's rank slipped by one notch to being tenth in the overall ad spends across the world and the handsome growth in 2021 will help it regain the 9th spot, the agency said, adding that from a share in incremental spends, the country will be at the sixth spot. Unlike the global experience, where digital is gaining ground very fast, the ad spends in India will also have incremental spending happening on television, it said, adding that print media will also hold its 16 per cent share of the overall pie in 2021, he said.

Amazon to make Fire TV stick, other devices in India

Foxconn arm to start production in Chennai later this year

NEW DELHI

E-COMMERCE and technology major Amazon will soon start manufacturing of its electronics products including the 'Fire TV' stick in India.After a virtual conversation with Amit Agarwal, Global Senior Vice President of Amazon and Country Head for India and Chetan Krishnaswamy, Vice President, Public Policy of Amazon India on Wednesday, the Union Minister for Electronics and IT, Ravi Shankar Prasad took to Twitter and the home-grown social media platform Koo, to make the announcement.

"Held a very good conversation with @AmitAgarwal and @Chetankrishna of @amazonIN today. Delighted to share that soon Amazon will commence manufacturing of electronics products like FireTV stick in India," Prasad said.

Further, Amazon also has announced its plans to begin manufacturing Amazon Devices in India. In a blogpost, the company said that it will commence its manufacturing efforts with contract manufacturer Cloud Network Technology, a subsidiary of Foxconn in Chennai and start production later this year.

As per the blog, the device manufacturing programme will be able to produce hundreds of thousands of Fire TV Stick devices every year. Amazon will continuously evaluate scaling capacity to additional marketplaces or cities depending on the domestic demand, it added. The minister during his conservation with the Amazon India executives also asked them to help in taking products made by India's artisans and Ayurvedic products to global markets through e-commerce."@amazon is a global company, but Amazon India must evolve as a truly Indian company deeply connected with Indian business community and culture," Prasad tweeted.

> The device manufacturing programme will be able to produce hundreds of thousands of Fire TV Stick devices every year. Amazon will continuously evaluate scaling capacity to additional marketplaces or cities depending on the domestic demand

Another tweet by the minister also said that the Ministry of IT is setting up several digital villages and Amazon India can pick up a few villages in India and develop them as fully digital villages. Amazon should also work with small local shops and make them a stakeholder in the larger efforts of Amazon to grow its business, he added.

Agarwal said that Amazon is committed to partner with the Indian government to advance the vision of an 'Aatmanirbhar Bharat'."Amazon is committed to partner with the Indian government to advance the vision of an Aatmanirbhar Bharat. We have pledged to invest US $1 billion to digitize 10 million small and medium businesses, help Indian businesses sell worldwide thereby enabling US $10B in cumulative exports, and create an additional 1MM jobs by 2025," he said.

Rejig inevitable for Renault Samsung for survival: CEO

Company's sales fell to lowest level in 16 years since 2004

SEOUL

THE Chief of Renault Samsung Motors said on Tuesday that restructuring will be inevitable for the survival amid the prolonged coronavirus pandemic and lower demand for its models. In a message to employees, Renault Samsung Chief Executive Dominique Signora made the comments as the company struggles with lower vehicle sales and high labor and manufacturing costs.

"There is an urgent need to cut costs (through restructuring) to ride out this crisis as the company's overall vehicle sales fell to the lowest level in 16 years since 2004. In particular, exports plunged by nearly 80 percent last year compared to the previous year due to the halted production of the Nissan Rogue SUV in March," Signora said.

Car assembly plants under Renault Group are required to cut manufacturing costs further to secure a new vehicle for production and additional volume for sales for survival amid the Covid-19 pandemic and a paradigm shift in the automobile industry, he said.

For the whole of 2020, Renault Samsung, which is 81 per cent owned by French carmaker Renault SA, sold 116,166 vehicles, down 34.5 per cent from 177,450 units a year earlier, reports Yonhap news agency.Domestic sales rose 11 percent to 95,939 units last year from 86,859 the previous year, but exports plummeted 78 percent to 20,227 autos from 90,591 over the cited period.

As a result, the Korean unit reported an operating loss worth 70 billion won last year for the first time in eight years.In January, Renault Samsung entered emergency management amid the extended Covid-19 pandemic and announced its plans to cut the number of executives by 40 percent and their pay by 20 percent. It also offered a voluntary retirement program to all employees.

For the whole of 2020, Renault Samsung, which is 81 per cent owned by French carmaker Renault SA, sold 116,166 vehicles, down 34.5 per cent from 177,450 units a year earlier

Last year, Renault Samsung promised to improve productivity at the Busan plant to win export volume of the XM3 SUV for European markets. So Renault Group decided to allow the plant to manufacture most of the XM3 for global sales in September, Mozos said."But Renault Samsung didn't keep its word as of the end of 2020 and the XM3's manufacturing costs per unit at the Busan plant are two times higher than the Captur SUV's cost-per-unit at (Renault's) Spain plant," he said.

Apple iPhone 13 may come with always-on display feature

SAN FRANCISCO

APPLE is reportedly planning to launch iPhone 13 lineup next year and now a new report has claimed that the upcoming series may have an always-on display feature to show notifications without illuminating the entire screen.Upon receiving, the notification will pop up normally except that the screen will not entirely light up. According to Max Weinbach via EverythingApplePro, with an always-on display, the lock screen will still show some important elements. The clock and battery icons will apparently always be visible on the screen, even if the screen is locked.

The upcoming series may come with an optical in-display fingerprint sensor as the secondary biometric option alongside Face ID.Previously, Apple analyst Ming-Chi Kuo had also revealed that Apple is working on the optical in-display fingerprint and might introduce it with the iPhone 13 series. The iPhone 13 lineup may mirror the iPhone 12 family of phones, with a 5.4-inch iPhone 13 Mini, 6.1-inch iPhone 13, 6.1-inch iPhone 13 Pro and 6.7-inch iPhone 13 Pro Max. In addition, the Ultra-Wide cameras on the two high-end models will be significantly upgraded to f/1.8, 6P (six-element lens) with autofocus.All the current iPhone 12 models are equipped with f/2.4, 5P (five-element lens) Ultra-Wide cameras with fixed focus.According to Barclays analysts, the iPhone 13/Pro models may feature Wi-Fi 6E. The Wi-Fi 6E provides Wi-Fi 6 features and capabilities, including higher performance, lower latency, and faster data rates.

Saudi Arabia to stop contracting with firms without local HQ

Rule applies to foreign companies that deal with government agencies, institutions and funds

DUBAI

SAUDI Arabia announced on Monday that it plans to stop signing contracts with foreign companies that don't have their Mideast headquarters in the kingdom, state-run media reported, a bold move that could escalate business competition in the region.

The decision, to take effect on Jan 1. 2024, aims to solicit foreign investment, increase efficiency of state spending and boost local employment, according to an anonymous official quoted by the state-run Saudi Press Agency. The rule applies to foreign companies that deal with government agencies, institutions and funds. The step could put Saudi Arabia at odds with Dubai, considered the region's commercial and tourism hub. The freewheeling city in the United Arab Emirates long has served as the headquarters for most big companies operating in the oil-rich Persian Gulf.

Amid the collapse of global oil prices, Crown Prince Mohammed bin Salman has promoted efforts to overhaul the Saudi economy and liberalize its society in preparation for a future less dependent on oil

Amid the collapse of global oil prices, Crown Prince Mohammed bin Salman has promoted efforts to overhaul the Saudi economy and liberalize its society in preparation for a future less dependent on oil. During the government's high-profile investment conference, the Future Investment Initiative, held last month, 24 foreign companies announced their intent to move their regional headquarters to the Saudi capital of Riyadh, the SPA report said, without offering specifics. The decision "will not affect any investor's ability to enter the Saudi market," the report added, noting that further measures will emerge throughout the year.

The wealthy kingdom has historically relied on vast oil reserves and state spending to power the country and subsidize the lives of most Saudi citizens on the government payroll. But in recent years, Prince Mohammed has sought to revamp the economy by building up tourism, entertainment and even a futuristic city in the desert called "Neom" under a grand plan called Vision 2030.

Cong demands withdrawal of 'Modi Tax' on petrol, diesel

Accuses govt of earning over Rs 20 lakh crore through taxes even as common man suffers

NEW DELHI

AMID rising fuel prices, the Congress on Tuesday demanded immediate withdrawal of taxes on the petroleum products, and alleged that in the last over six years the government has earned more than Rs 20 lakh crore through taxes even as a common man suffers. Calling it 'Modi Tax', Congress spokesperson Pawan Khera while addressing a press conference said, "We demand an immediate withdrawal of this additional Modi Tax imposed over the last 6.8 years. This in itself will reduce petrol price to Rs 61.92 per litre and diesel price to Rs 47.51 per litre. Every common Indian deserves this relief immediately."

He said, "In the last 6.8 years, the government has earned over Rs 20 lakh crore by imposing additional excise duty on petrol and diesel. In May 2014, the international crude oil price was $108 per barrel and petrol was selling at Rs 71.51 per litre in Delhi, while diesel was selling at Rs 57.28 per litre in Delhi."

What are the emotions through which they try to keep India busy? Anger! Hatred! Fear! Their strategy is predictable, generate these emotions and create villains

"The international crude oil price as on February 1 was $54.41 per barrel and yet as of today, the price of petrol is Rs 89.29 per litre in Delhi whereas diesel is selling at Rs 79.70 per litre. Over the last six years, the additional excise burden -- Modi Tax -- on the common consumer has been increased by Rs 23.78 per litre on petrol and by Rs 28.37 per litre on diesel -- 820 per cent on diesel and 258 per cent on petrol."

"We do not see the result of government's spending to the tune of Rs 20 lakh crore on any sector, whether it is the agriculture sector, the MSMEs or government employees or any other sector?" said Khera.

He alleged that the BJP ecosystem has always tried to keep people emotionally occupied.

"What are the emotions through which they try to keep India busy? Anger! Hatred! Fear! Their strategy is predictable, generate these emotions and create villains. For this, they will borrow from mythology, from their version of history, from global events that may have nothing to do with us. They will keep invoking villains against who our collective emotions can be directed," said Khera.

Trouble mounts for Cong govt as one more MLA resigns

PUDUCHERRY

ONE more ruling Congress legislator A John Kumar, a close confidant of Puducherry Chief Minister V Narayanasamy, resigned his MLA post on Tuesday, in yet another jolt to the ruling Congress dispensation ahead of the Assembly polls due in few months.

Kumar, who was elected from the Kamaraj Nagar constituency in the 2019 bypoll, is the fourth Congress lawmaker to quit the party ahead of Congress leader Rahul Gandhi's visit to Puducherry on Wednesday to kick-start the Congress poll campaign.

His resignation comes close on the heels of senior party legislator Malladi Krishna Rao, who had earlier quit as Health minister, resigning from the post of MLA on Monday.

John Kumar called on Speaker V P Sivakolundhu at his office and handed over his handwritten letter of resignation, official sources said.

The Speaker told PTI he was perusing the letter and would take a decision soon.

He said he had received Malladi Krishna Rao's resignation letter from the House through fax on Monday night.

With his resignation, the strength of the ruling Congress in the territorial Assembly has come down to 10 and both the treasury and the opposition will now have 14 members each. The assembly has 30 elected seats and three nominated seats. (PTI)

Previous govts ignored deserving leaders: Modi

LUCKNOW

PRIME Minister Narendra Modi on Tuesday asserted that his government was trying to rectify the "mistakes" of the previous governments which did not honour deserving warriors and leaders as he laid the foundation stone for a statue of warrior king Suheldev of Shravasti in Uttar Pradesh's Bahraich. He also unveiled through video conferencing programmes for beautification of Shravasti, Chittora Lake and Bahraich.

Speaking on the occasion, he accused previous governments of not honouring deserving leaders like Netaji Subhash Chandra Bose, Sardar Vallabhbhai Patel and B R Ambedkar. "It is unfortunate that deserving leaders were not given the place of pride they deserved," Modi said, adding his government was trying to rectify the mistakes of the past governments.

The projects, which include construction of a 4.20-metre high equestrian statue of the warrior king Suheldev, will also focus on the development of various tourist amenities including a cafeteria, guest house and a children's park. Besides the projects, Modi inaugurated a medical college in Bahraich named after Suheldev. He also lauded the efforts of the Uttar Pradesh government in tackling the coronavirus pandemic and leading the state on the path of development. Uttar Pradesh Chief Minister Yogi Adityanath attended the event.

King Suheldev, an icon of the Rajbhar community, had defeated and killed the Ghaznavid general Ghazi Saiyyad Salar Masud in a battle on the banks of the Chittora lake in Bahraich in 1033. After coming to power, the Modi government has taken concerted steps to popularise Suheldev. Before the 2019 Lok Sabha polls, the Prime Minister had released a postal stamp in the memory of Suheldev and flagged off a superfast train 'Suheldev Express' that runs tri-weekly between Ghazipur in Purvanchal (UP) and Anand Vihar in Delhi. Earlier, in February 2016, then BJP chief Amit Shah had unveiled a statue of Suheldev and also launched a book on him, in Bahraich district near the Indo-Nepal border, where the medieval king enjoys a legendary status. During his tenure as UP chief minister, Rajnath Singh, the present Defence minister, had unveiled the statue of Suheldev at an important road crossing in Lucknow.

Rajbhar community members, who consider Suheldev as their icon, constitute a significant percentage of the Purvanchal electorate and are regarded as the second politically dominant force to reckon with after the Yadavs in eastern Uttar Pradesh. Since the Rajbhar vote bank is not intact, different parties try to woo them for electoral support from time to time, say political observers, pointing out that Tuesday's event was taking place when UP Assembly polls were less than a year away. (PTI)

Irani dares Rahul to take out money from tea traders in Guj

VANSDA (GUJ)

SMRITI Irani on Tuesday dared Congress leader Rahul Gandhi to "take out money" from the pockets of small tea traders of Gujarat and to contest elections from the State if he has "guts". She also alleged the Congress' "hatred and prejudice" towards Gujarat and its people was not new, "as Rahul Gandhi and his party had objected to the proposal to build the Statue of Unity in the memory of Sardar Vallabhbhai Patel in Gujarat". Irani was referring to the remarks made by the former Congress chief at a poll rally in Assam in which he spoke about hiking the daily wage of tea workers by making tea garden owners from Gujarat pay, if his party is voted to power in that State. "Rahul Gandhi recently said in a rally in Assam that he will take out money from the pockets of small tea traders of Gujarat. Earlier, they (Congress) had issues with the tea seller (PM Narendra Modi), and now they have problems with those who drink tea," Irani said at a public rally for upcoming elections to local bodies held at Vansda town in Navsari district. "I want to challenge Rahul Gandhi to try ('azma lo') Gujarat if he has guts. I also challenge him to contest polls from Gujarat.

UDF to wind up Kerala Bank if elected to power: Chennithala

THIRUVANANTHAPURAM

MAKING its position clear, Leader of Opposition Ramesh Chennithala on Tuesday categorically said 'if elected to power in the upcoming Assembly polls, the Congress-led UDF will wind up the operations of the Kerala Bank'. The bank was formally launched by the Chief Minister in a function held in the state capital in 2019. The Pinarayi Vijayan-led Left government had made it very clear right from the time they assumed office in 2016 that the Kerala Bank would be formed by merging 14 district cooperative banks with the Kerala State Cooperative Bank (KSCB) and it would be named as Kerala Bank. Earlier, the Cooperative banks in the state had a three-tier structure with the primary banks at the grassroots level which were attached to the respective district banks and the apex body was the KSCB. This changed after Vijayan launched the Kerala Bank. Speaking to the media at his hometown in Alappuzha as part of his statewide yatra, Chennithala said the present Kerala Bank was an illegal entity and even the Reserve Bank of India had made its position clear on it.

Chennithala's statement comes a day after the Kerala High Court acting on a petition from a Kottayam resident stating that the Kerala government was on the sly trying to regularise the appointment of 1,850 temporary employees working in various posts in Kerala Bank, stayed this move of the Pinarayi Vijayan government

"The once fledgling cooperative banking sector in the State has been destroyed in the name of the Kerala Bank. If we return to power, the Kerala Bank will be wound up," said Chennithala.

Chennithala's statement comes a day after the Kerala High Court acting on a petition from a Kottayam resident stating that the Kerala government was on the sly trying to regularise the appointment of 1,850 temporary employees working in various posts in Kerala Bank, stayed this move of the Pinarayi Vijayan government.

Indian tech industry continues to be net hirer

So far in the post-pandemic period, people have only been talking about increasing digital adoption and saying that Covid-19 has accelerated digital adoption across industries and technology service providers are witnessing a sharp growth in digital deals. And there are some facts and figures to validate that. And this is particularly true in case of India, much to the pleasure of the Indian technology sector.

The headwinds in 2020 notwithstanding, Indian tech contributed nearly 8 per cent relative share to the national GDP, with 52 per cent relative share in services exports, and 50 per cent share in total FDI (based on FDI inflows for the period April to September 2020). That's not all. The Nasscom CEO survey for 2021 indicates that almost 70 per cent companies expect investment in global technology higher than the previous year. In this hyper-digital economy, TRUST with the four cornerstones of competence, reliability, integrity, and empathy, will be the single-most-important currency, leading the industry growth towards a better normal.

Another key fact that would also testify a significant growth in the technology or digital space has been that Indian tech industry continues to be a net hirer with significant focus on digital upskilling. The industry is expected to add over 138,000 net new hires in FY2020-21, taking total employee base to 4.47 million in FY2020-21. Digital talent pool is expected to cross 1.17 million, growing at 32 per cent over last year. And mind you, this is happening despite the overall economic and industrial downturn.

What is really encouraging for India is that at a time when global output is estimated to have shrunk by 3.2 per cent, led by the 2020 pandemic, Indian Technology sector rallied round to grow at 2.3 per cent year on year at the back of rapid acceleration in digital transformation and tech adoption.

When it comes to India's domestic market, technology and digital business, driven by hardware led demand continued to show resilience, growing at 3.4 per cent in the year. With an increased focus on innovation, India witnessed more than 115,000 tech patents filed by companies in India in the last 5 years.

There is no denying the fact that be it in India or elsewhere in the world, digital transformation is the topmost priority for transnational corporations and in a highly connected world that will remain largely contactless for an extended period, there are shifts in business models, customer experience, operations, and employee experience.

Going by the Nasscom study, investing in digital continues to rise as an imperative for the industry, with organisations building their capabilities and aligning business models to digital practices - up to 28 per cent-30 per cent of the industry revenues was recorded for digital. Resonating with the overarching call-to-action for Atmanirbhar Bharat, domestic digital adoption has intensified in 2020.

Going forward, while we certainly need to be cautiously optimistic, it would not be a wrong notion to believe that the technology industry in India is well geared to build on these trends and continue its transformation journey in this re-defined Techade.

BITCOIN's VOLATILITY SHOULD BURN INVESTORS. IT HASN'T

Wild price swings normally have a way of reversing fortunes. So how do you explain when they don't?

Nir Kaissar

JUST over 10 years old, Bitcoin might already be the best-performing investment of all time. It might also be the most volatile, and volatility has a way of luring people into ill-timed and costly investing choices. So with all the headlines about Bitcoin's meteoric rise, it seems reasonable to ask how its investors are doing.

There's no denying Bitcoin's astonishing success. Its price has grown a stupefying 796,933 times since 2010. For perspective, the Dow Jones Industrial Average has grown 869 times since its inception in 1896. That means Bitcoin's price appreciation has been 917 times that of the Dow in less than a tenth of the time.

With a surge like that, it doesn't take a big investment to make a pile of money. A measly $100 bet on Bitcoin on Day One, or close to it, would have blossomed into close to $80 million. And investors didn't have to be there from the beginning to rack up big gains. They just had to hop on somewhere along the line and hang on to their coins.

The trouble is, Bitcoin's wild swings don't make it easy to hold on. Its volatility, as measured by annualised standard deviation, has clocked more than 200 per cent since 2010, or close to 15 times that of the S&P 500 Index during the same period. Investors who were in and out of Bitcoin had as much opportunity to lose a fortune as make one.

Investments with far less volatility than Bitcoin have been known to trip up investors. Faced with big and unpredictable price moves, those who have trouble staying in their seat are more likely to buy on the way up and sell on the way down rather than the other way around. Morningstar's annual 'Mind the Gap' report attempts to quantify the impact of investors' behaviour on their investment returns by measuring the so-called behaviour gap, or the difference between the performance reported by investment funds and the returns investors in those funds manage to capture. The results strongly suggest that more

volatility leads to bigger gaps, and not in investors' favour.

While gaps can be caused by numerous factors, volatility seems to be a key one. According to the latest report, investors have fared best in allocation funds, or those that combine stocks, bonds and other investments. The gap in those funds was 0.4 per cent a year over 10 years through 2019, meaning that on average investors captured a higher return than the one reported by their funds. One reason, as Morningstar puts it, is that "by virtue of their diversified approach, allocation funds tend to have more-stable performance and are easier to own than funds that are subject to more-dramatic performance swings." By contrast, investors in sector-specific stock funds, which tend to be more erratic, gave back 1.35 per cent a year, the widest gap in either direction.

If volatility is inversely related to the behaviour gap, then Bitcoin's gap should be alarmingly negative. It's difficult to track the money flowing in and out of Bitcoin, which is part of the charm, so it's hard to be sure. But the available numbers

If volatility is inversely related to the behaviour gap, then Bitcoin's gap should be alarmingly negative. It's difficult to track the money flowing in and out of Bitcoin, which is part of the charm, so it's hard to be sure

suggest just the opposite - investors appear to have deftly navigated its harrowing highs and lows, buying on the way down and selling on the way up.

Flip the script

Bitcoin has already been through two spectacular boom-bust cycles. It surged to a high of $1,137 from just $0.08 from July 2010 to November 2013, and then tumbled 84 per cent to $183 by January 2015. It happened again three years later. Bitcoin peaked at more than $19,000 in December 2017 and then plunged 83 per cent over the next year, landing at about $3,100 in December 2018.

Here's the surprising part: According to CryptoQuant, a cryptocurrency data provider that attempts to gauge Bitcoin's flows on top cryptocurrency exchanges, there have also been two swells in net flows to Bitcoin. Based on rolling one-year flows since April 2012, the longest period available, those two swells align almost perfectly with the timing of Bitcoin's two busts. During the first washout, Bitcoin was still a novelty, so a few whales - lingo for investors who own a lot of Bitcoin - may have had a disproportionate impact on flows. But by the second one, Bitcoin was more widely owned, so the flows represent a broader cross section of investors.

Either way, investors shovelled more money into Bitcoin on the way down than up, and it's not even close. Investors poured a net $8.5 billion into Bitcoin during the two busts, and they pulled a net $3.2 billion the rest of the time. If Bitcoin has a behaviour gap, it's more likely positive than negative - and it might even be hugely positive, as far as gaps go.

Is it possible that Bitcoin enthusiasts are a more evolved species of investors who can exploit its terrifying volatility rather than get mauled by it? Here's another reason to think so: One-year net flows to Bitcoin turned negative for the first time last June and have declined sharply ever since. In fact, net outflows were the highest ever during the last 12 months through January, even as Bitcoin has soared to new heights. Rather than chase Bitcoin higher, investors appear to be running for the exit.

Granted, it's still early days for Bitcoin, and a third bust could change everything. But as of now, Bitcoin's investors may be even more incredible than the digital coin itself. (Bloomberg)

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EU remains tricky maze to undo

The world's largest economic bloc is proving erratic as a champion of democracy, too


Ursula von der Leyen

Martin Ivens

URSULA von der Leyen did the right thing last week after she'd tried everything else. The European Commission president finally apologized for the failings of the continent-wide vaccine procurement scheme.

It followed an unseemly few weeks of battle over the vaccine, during which Von der Leyen scapegoated the Anglo-Swedish pharma company AstraZeneca Plc for supply holdups and threatened to close the Irish land border to imports of vaccines from the European Union. Even Brussels, which is loath to admit fault, finally conceded that its vaccine rollout has been unsatisfactory.

It's an admission that reveals deeper problems in institutional Europe. Bluntly, the EU isn't as effective as it likes to think it is in many policy areas where it took over responsibility from member states.

It has also lost two opportunities to lord it over others in recent months. One is Brexit, which — while still disruptive — ended in a trade deal rather than the unregulated chaos threatened by its most vociferous opponents. Another is Donald Trump, that willful exemplar of bad faith and anti-liberal politics, who's fallen from power.

The net effect is that the EU can no longer shine on the global stage by virtue of contrast with wicked Trump and blundering Boris Johnson. Brussels is meant to work well on many fronts, but it doesn't and electorates are taking notice.

The world's largest economic bloc is proving erratic as a champion of democracy, too. It has vast reserves of soft power, but rarely deploys them. Under its largely German leadership, it has difficulty combining commercial realpolitik with its stated aim of advocating for pluralism and encouraging democracy in Eastern Europe and elsewhere.

Navalny factor

The immunization debacle had a sorry aftermath. On a visit to Moscow earlier this week, Josep Borrell, the EU's foreign policy chief, was all smiles as he praised Russia's Covid vaccine, Sputnik V. It may have been necessitated by the EU's possible future shortages but the timing was awful. Alexei Navalny, the dissident leader who survived a military-grade poisoning, was being dragged out of prison to face more trumped-up charges.

Vladimir Putin understands propaganda better than his European counterparts and gave Borrell a public dressing down. At a joint press conference, Sergei Lavrov, Russia's foreign minister, sneered that the EU wasn't "a reliable partner." The Brussels representative learned from his Twitter feed that three European diplomats were being expelled from Moscow for appearing at demonstrations supporting Navalny.

There are plenty of other failures in diplomatic muscularity to pick over. Frank-Walter Steinmeier, Germany's head of State, hardly helped when he defended construction work on a Russian gas pipeline beneath the Baltic, Nord Stream 2, on the grounds that his country owes Moscow a debt of guilt for the sins of World War II. Alas, this deal has losers as well as winners. Ukrainians will be deprived of transit payments from the current land-based pipeline (and are deeply unhappy about any downplaying of their own losses in World War II). Other Eastern European democracies fear Putin is getting the means to cut off their gas without hurting his rich German client.

Despite her upbringing in East Germany, which makes her more wary of the Russians than her Social Democrat coalition partners, Angela Merkel has opted for commercial advantage.

It's not just Russia. The chancellor and Von der Leyen also handed President Joe Biden a nasty surprise as he prepared to take office by announcing an investment agreement with China. What will Trump's replacement see when he looks at this muddled Europe?

While avoiding Trump's tub-thumping, Biden aims to continue "extreme competition" with Beijing and to hold it accountable for human rights violations. Merkel, echoed by France's Emmanuel Macron, makes clear she won't join any new Cold War against Beijing and warns against dividing the world into competing blocs. China is Germany's biggest export market for cars.

This all changes some of the diplomatic geometry between the US, EU and Britain. Biden disapproves of Brexit and had no contact with Prime Minister Johnson when the latter was the UK's foreign secretary, but the new president has been forced to fall back on his country's traditional ally for moral and diplomatic support. In a crunch, only the British and the other Anglosphere countries of Australia, Canada and New Zealand have stood up to Beijing.

The paradox is that Merkel talks the global liberal talk while acting purely in German interests — whereas Johnson sounds like a loudmouthed populist but has walked the walk on Chinese human-rights violations.

He is stripping Huawei Technologies Co.'s equipment from Britain's telecoms networks and he's offered Hong Kong residents a path to UK citizenship after China's crackdown on the democracy movement.

The EU is both a commercial trading bloc and a "values" community. There's a tension here. Von der Leyen says she wants to lead a "geopolitical Commission." The gap between aspiration and reality is becoming dangerously wide. After Merkel retires in the autumn a new generation of leaders will need to choose more clearly how it sets about this role. Europe won't have Brexit and Trump to hide behind. (Bloomberg)

> The net result of several factors affecting EU is that it can no longer shine on the global stage by virtue of contrast with wicked Trump and blundering Boris Johnson. Brussels is meant to work well on many fronts, but it doesn't and electorates are taking notice

Sayajirao III: A ruler whose visionary reforms still resonate

His reign can be summed up in one word - Simply splendid

Vishnu Makhijani
New Delhi

HE was born in the family of a farmer who, though he bore the name Gaekwad, was considered to be to the cadet branch of the Baroda royal family or that of the younger sons of a previous ruler and thus not eligible to succeed to the throne. It was fate that decided his ascendancy as Maharaja Sayajirao Gaekwad III (1875-1939) and his reign of over 60 years is today remembered for an illustrious university that bears his name and a host of reforms in various spheres, including the economy, women's education, encouraging widow remarriage, abolition of child marriages and the purdah -- rather than creating edifices.

"His reign can be summed up in one word simply splendid," author Uma Balasubramaniam, who has penned his biography, "Sayajirao Gaekwad III: The Maharaja of Baroda" (Rupa), told this reporter.

"His reforms with regard to education for women which manifested in his opening a number of schools, colleges, and even teachers training colleges for them, apart from encouraging widow remarriage and abolition of child marriages and the purdah system clearly indicates his role in the empowerment of women," Balasubramaniam added.

"Sayajirao governed the State with remarkable zeal and had many firsts to his credit. As early as 1881, he opened several schools for girls and a training college for lady teachers. In 1893, he introduced free primary education for children and became the first Indian ruler to do so. He banned child marriage and untouchability and widely promoted inter-caste marriage and widow remarriage," said Balasubramaniam, the grand-daughter-in-law of the late C.Rajam, a pioneer industrialist and educationalist of Madras.

The Baroda College that he founded has blossomed into the world-renowned MS University, while his rich library became the nucleus of today's Central Library of Baroda with a network of libraries in all the towns and villages in his State.

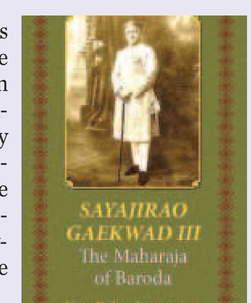
"Right from its incipience, (Baroda College) adopted the American system of education by following the tutorial system. Stress was laid on research by which a student understood his subject thoroughly rather than cramming notes for passing exams," the author pointed out.

Balasubramaniam, in fact, is herself an alumnus of the MS University's Faculty of Arts, from where she graduated in history.

Apart from his educational and social reforms, Sayajirao played a key role in the development of Baroda's textile industry, while his other economic initiatives included the establishment of a railroad, waterworks that still feed the city of Vadodara and the founding in 1908 of the Bank of Baroda, today one of India's leading public sector banks into which two other nationalised banks have been subsumed.

The fact that his true identity lay in being a farmer's son was never obscured by the grandeur of the palace and the immense riches of the Gaekwads, the book states, adding that he was perpetually worried about the hardships that villagers faced in times of adversity in the villages of Gujarat, the author writes.

"The chief among these adverse factors were the scarcity of water and the lack of education of the villagers, which acted as impediments to raise their standards of living. These two main factors drove him relentlessly to secure both, not only for the villagers but also for the people of Baroda. He was also aware that many of the problems arose from the social taboos and superstitions that governed the actions of the people and set about to remove these prejudices through reforms. He achieved all this in spite of the hostile environment created by priggish British aristocrats and also by those who ran the machinery of the British government in India," the author adds.



Balasubramaniam spent two years researching the book from August 2017 until July 2019.

"The research involved visiting libraries for books with information on the history of the royal family. Hours were spent in the Gujarat government archives and also involved months of study in the India Office records in London. For the personal touch in the story, conversations with those people in Baroda whose ancestors had been part of the Baroda administration during the reign of Maharaja Sayajirao Gaekwad-III was very informative," she said. On the more contemporary level, Sayajirao's grandson, Fatehsinghrao Gaekwad, an attacking right-handed batsman, represented Baroda in the Ranji Trophy between 1946 and 1958 and had the highest score of 99 in his first season. The President of the Board of Control for Cricket in India (BCCI) from 1963-66, he was also an honorary life member of the MCC.

Anshuman Gaekwad, a two-time Indian national cricket coach who played in 40 Test matches and 15 One-Day Internationals, is distantly related to the Baroda royal family.

> The fact that his true identity lay in being a farmer's son was never obscured by the grandeur of the palace and the immense riches of the Gaekwads, the book states, adding that he was perpetually worried about the hardships that villagers faced

Old days in Indian banking coming back

Reduction in number of government banks by mutual merging has taken a speed in last six years that was never seen before

SHIVA KUMAR

INDIAN banking is on the verge of completing a 360-degree turn. It was in 1969 that Indira Gandhi nationalised 14 major banks, sending a shock wave into financial and corporate circles. The idea was to use banks as tools of social growth and avoid concentration of economic power in a few hands. Before long, in 1980, another 6 private banks were taken over by the Government. In 1993, the Government merged two of these to bring down the total number of nationalised banks to 19. Besides, they owned Sate Bank of India and its 7 Associate Banks, the total number of Government banks being 27.

But before long, the folly of above move was probably felt and in the early nineties, as a part of liberalisation, a small number of private banks were given new licenses. The kinds of HDFC and ICICI banks emerged out of this. Soon the Government began talking about reducing number of nationalised banks and two associate banks were merged with SBI in the decade beginning 2000. But actual merger work of significance was hardly done until the present NDA government came into power.

To say the least, the reduction in number of government banks by mutual merging has taken a speed in last six years that was never seen before. All the remaining associate banks, five in number, and the Mahila Bank, created in between, were merged with SBI in one go. This was followed by creating five major banks, Punjab National Bank, Union Bank, Canara Bank, Indian Bank and Bank of Baroda, by merging with them Dena Bank, Vijaya Bank. Oriental Bank of Commerce, United Bank of India, Syndicate Bank, Andhra Bank, and Allahabad Bank. In 2021 Budget speech, the Finance Minister, Nirmala Sitaraman, has talked of privatising two Government banks, probably for the first time not being shy of using the word privatising in lieu of disinvestment, completely abandoning their own earlier policy of merger.

In the meantime, RBI had come out with guidelines in 2013 to give licenses to new banks in private sector including those to NBFCs. But the next Governor on the Mint Street, Raghuram Rajan, found faults in this policy issued by his predecessor and closed the window by issuing merely two licenses. Many in corporate world were kept waiting for the opportunity; Tatas even having withdrawn their application during scrutiny process. Rajan soon opened a new window for new formats of banks like Payment Bank and Small Business Bank to bring on board new banks with limited functionalities.

Considering the mood of the Government in recent past, RBI in all likelihood will come out with new guidelines before long, allowing corporate/industrial houses to set up new full-fledged banks

The last angle in this 360-degree journey is likely to be completed soon. In November 2020, RBI released the Report of an Internal Working Group to 'Review Extant Ownership Guidelines and Corporate Structure for the Indian Private Sector Banks' seeking comments from the stake holders and members of the public by January 2021 RBI is in-the-midst of reviewing the Report, which has suggested large corporate/ industrial houses to be allowed as promoters of banks, among other things, and the comments received. Considering the mood of the Government in recent past, RBI in all likelihood will come out with new guidelines before long, allowing corporate/ industrial houses to set up new full-fledged banks. Reliance is already half-way through by having a Payment Bank in a joint venture with SBI and the kinds of Tatas and Adanis, amongst others, may get into banking business soon. This will bring us back to the pre-1969 days, completing the 360-degree circle.

This new move, however, has generated a heated debate whether it is a good idea to allow corporate and industrial houses to own new banks, even though many of them already own large NBFCs including taking deposits. The new move would certainly reduce the pressure on Government of providing fresh capital funded by tax-payers and managing large NPAs. It may also address India's credit scarcity problems in the long-run, though there is no dearth of liquidity at present. As per a recent data, India's domestic credit to private sector by banks as a proportion of GDP was just 50 per cent. In countries like South Korea (141 per cent), Thailand (112 per cent), South Africa (68 per cent), and Brazil (61 per cent), it is far above, leave alone China (158 per cent).

The worries include the corporate/industrial houses lending irresponsibly to themselves once they own banks. This may also lead to further concentration of economic power, which Indira Gandhi had begun to break 50 years ago. While evaluating the proposals, the RBI will have to find ways to check these aberrations. But option to come in the way of this bold move is not there. The government has no business to be in business and their ownership of banks need to be further reduced to 3-4 large banks like SBI, as professed by them in their recent assertions. This is only possible if private banks backed by strong financial muscle emerge on the new horizon.

(Shiva Kumar is former Managing Director, State Bank of Bikaner & Jaipur, and former president, Edelweiss Group)

Covid's puzzling decline sparks shopping spree

CHRIS KAY & VRISHTI BENIWAL

Largest retail and consumer companies already reaping the fruit of Indians' pent-up demand

FOR the home to the world's second-largest Covid-19 outbreak, life in India is almost back to normal. Shopping mall parking lots are full again. Stores are buzzing, and there are long lines for hair salons and restaurants.

"We just got fed up sitting at home, for how long can you do that?" said Kaniz Zehra, a 32-year-old stay-at-home parent to a toddler and a five-year-old. In recent months, she's flown for two domestic holidays; last month, she braved the crowds at the DLF Mall of India, one of the country's largest, outside of New Delhi. "Initially there was a fear of getting the infection," she said. "But now it appears it hasn't affected Indians as badly as it hit people in other countries."

While the US and large swaths of Europe remain in crisis and China stays vigilant over new outbreaks, concerns about Covid seem to have ebbed across India. Infection and death rates have dropped, and as shoppers like Zehra re-emerge, the economy and consumer companies are posting strong gains, far sooner than most expected.

The steady decline of reported Covid infections in India has puzzled scientists, especially given that many countries are battling second, third and fourth waves. Since daily cases peaked close to 100,000 in September, new transmissions have dropped nearly 90 per cent. Deaths have fallen by a similar rate, from more than 1,000 a day in September to fewer than 100 now. Epidemiologists have questioned those numbers, pointing to low rates of testing and habitual underreporting of causes of death, particularly in rural India. But even if the numbers are artificially low, a lull in the country's Covid wards suggests the trend is real.

While the US and large swaths of Europe remain in crisis and China stays vigilant over new outbreaks, concerns about Covid seem to have ebbed across India. Infection and death rates have dropped, and the economy and consumer companies are posting strong gains, far sooner than most expected

Government economists are predicting 11 per cent economic growth for the financial year that begins April 1, enough to reverse the 7.7 per cent contraction in 2020. "Consumer confidence is reviving," Reserve Bank of India Governor Shaktikanta Das said in February, pointing to renewed domestic migration, growing demand for energy and electricity and other indicators.

Already, some of the nation's largest retail and consumer companies are reaping the fruit of Indians' pent-up demand. Reliance Industries Ltd. posted record profits for the quarter that ended in December, buoyed by billionaire Mukesh Ambani's growing bet on retail. Aditya Birla Group's fashion retail business also reported quarterly profits, after a corresponding loss in the same period a year ago. Unilever Plc's local arm posted a 20 per cent jump in sales for the fourth quarter. "India after a very difficult period with the virus is bouncing back quickly," Unilever's Chief Executive Officer Alan Jope said in an interview with Bloomberg Television this month.

Passenger vehicle sales have ramped up, along with the import of electronic goods. Traffic at India's airports and on the roads has picked up. On Monday, Nomura Holdings Inc. said its India Business Resumption Index continued to rise, coming within about 2 percentage points of its pre-pandemic level by the end of last week. "In Mumbai and Delhi - the two main cities in India which were also the worst affected - life certainly seems to be back to normal in terms of movement," said Abhishek Gupta, who covers India at Bloomberg Economics.

Returning confidence has so far been offset by worsening poverty, with an estimated 85 million swelling the ranks of the newly poor, especially migrant workers who fled urban centers during last year's lockdown.

Prime Minister Narendra Modi is hoping that the vaccination drive that began in January will spur a wider recovery. So far, vaccine uptake has been slower than officials hoped, as the rollout beset by technical hiccups. Frontline workers have also reported skepticism about the shots, following the hasty approval of a local shot before it reached final-stage tests.

"I don't think anyone really thinks that without vaccines and a vaccination programme being widely available that we can go back to whatever full normalcy is," said Sireesha Yadlapalli, a Hyderabad-based senior director at the United States Pharmacopeia, a 200-year-old scientific non-profit organisation. "Hopefully this is the slowdown and there's no second wave." It's too early to say whether India's current resilience will persist. Some experts have speculated the country has already achieved herd immunity. A study conducted in the southern state of Karnataka signalled just under half its more than 60 million residents had been infected by August, a number more than 90 times higher than the official figure at the time. Others have also pointed to India's youthful population or to unproven theories that widespread exposure to a high number of tropical diseases confers some protection against Covid. For now, though, "there has been a reduction in fear," said T Jacob John, former head of the Centre for Advanced Research in Virology at the Indian Council of Medical Research. "Whether the South African variant will breech the immunity wall and create a second pandemic with India participating with a new wave - is unpredictable." (Bloomberg)

Tesla to start making cars in India, targeting vast market

Elon Musk all but confirmed Tesla would enter India in January after months of speculation

SARITHA RAI

TESLA Inc is closing in on an agreement to make electric vehicles in India for the first time, opening up a new growth opportunity after setting up production in China.

Tesla has picked Karnataka, a southern state whose capital is Bangalore, for its first plant, the state's chief minister said over the weekend. The automaker has been negotiating with local officials for six months and is actively considering car assembly in the suburbs of Bangalore, people familiar with the matter said.

Tesla didn't immediately respond to requests for comment and did not confirm the minister's statement.

The company is conducting due diligence for office real estate in the region and plans to set up an R&D facility, said the people, asking not to be named because the matter is private. Tesla has focused on Bangalore because it's shaping up to be a hub for electric vehicles and aerospace manufacturing talent, they said. Tesla has incorporated its Indian unit and registered offices in downtown Bangalore.

Chief Executive Officer Elon Musk all but confirmed Tesla would enter India in January after months of speculation. The world's richest man on Jan. 13 tweeted "as promised" in response to a report on a Tesla-focused blog that the automaker was in talks with several Indian states to open an office, showrooms, a research and development center - and possibly a factory.

That revelation sparked euphoria from locals, such as Nikhil Chaudhary, a

20-year-old student at the University of Delhi who helped start India's Tesla fan club in 2019.

Despite the hype, Tesla's foray into India may well prove challenging. The country hasn't yet rolled out the welcome mat for EVs like neighbor China, where Tesla set up its first factory outside of the U.S. and now dominates sales of premium EVs.

EVs account for about 5 per cent of China's annual car sales, according to BloombergNEF, compared to less than 1 per cent in India.

"Considering the price of a Tesla, Elon Musk probably won't be able to sell an EV to most of the population in emerging economies," said Pedro Pacheco, a Munich-based senior research director at Gartner Inc. "However, looking at the size of the population and the potential for economic growth, Tesla will probably target a fast-growing group of affluent individuals that, in absolute terms, compares quite favorably to what we see in many developed countries."

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Charging spots

Palo Alto, California-based Tesla may also use any Indian factory as an export base, leveraging several markets at the same time, Pacheco said.

The expensive cost of a Tesla is viewed as a sticking point by other market watchers, too. Mumbai-based Basudeb Banerjee, an analyst at Ambit Capital Private Limited, noted that the "size of the luxury car market in India is minuscule with brands like BMW, Mercedes, Audi and Jaguar Land Rover accounting for just 30,000 to 50,000 sales annually."

And despite India's broader potential, charging infrastructure remains another impediment to large-scale EV adoption.

According to the International Energy Agency, around 60 per cent of the world's public slow- and fast-charging spots are in China. As Chinese carmakers roll out competitive EV models and develop a diverse ecosystem, the country is "heading toward disrupting the current global auto industry landscape," UBS Group AG analysts wrote in a report last month.

India has been making similar moves, but not yet on the same scale.

In 2015, it launched a Faster Adoption and Manufacturing of Hybrid and EV (FAME) plan, with a 9 billion rupee ($123 million) commitment to subsidies that cover everything from electric tricycles to buses, according to the IEA. A second generation of the FAME program introduced in 2019 was larger, with 100 billion rupees to encourage EV purchases and build out charging infrastructure.

India also cut the goods and services tax on EVs to 5 per cent from 12 per cent, effective August 2019, much lower than the levies of as much as 28 per cent slapped on other motor vehicles, which have attracted criticism from companies like Toyota Motor Corp. (Bloomberg)

Shop101 uplifting women to get extra income

A casual scrolling session ended up in Gunjan Yadav having her own business, making her more independent than she would've expected

SYDELLE FERNANDE

A housewife has a lot of responsibilities and there's no denying that. Looking after the needs of her family members, scheduling her day according to each of them, catering to other things in the house and more. This leaves her with very little time for herself. However, that doesn't rule out the possibility of her wanting to fulfill her dreams.

We've realised how important that extra income can be for some people. Whether it means using it to pay off a loan or just to contribute to the family, it is extra money in the end. Online jobs don't always pay the way one would imagine unless you find the right job for yourself. In most cases, the jobs require experience in the said field and that leaves you with little choice in the end. That is why there are opportunities like online reselling which have made it possible to earn online, learn the basics of business and the art of being independent. We have come across many motivational stories that talk about the journey of a person from nothing to something big! They somehow give one, hope, to start somewhere and go closer to success one step at a time. It is encouraging and empowering in every sense.

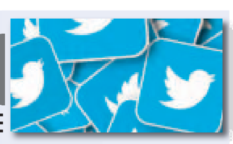
One such story that we would like to share is surely going to leave you wanting more from your life too. Gunjan Yadav, just like any housewife, was looking for ways to earn money from home. She tried her hand at learning a bit of parlour work and even worked as a helper at one. However, she wanted to do something more with her time so that she can be financially independent and work on her own schedule too. Since parlour work didn't give her the opportunity to be her own boss, she felt like she could explore better opportunities. At this time, she stumbled upon Shop101's YouTube channel. A casual scrolling session ended up in her having her own business, making her more independent than she would've expected. What better way to work, if not through an app. Since she already has a lot of duties at home, this was the best work from home option there was for her. Although she has been a part of Shop101 since 2019, it is only during the lockdown that her business actually got her the profits she anticipated. She realised how convenient online shopping was for people during this time and saw how people prefer to shop online because of the ease of access that it provides everyone with. She was flooded with a lot of orders during the lockdown and that kept her motivated to continue her business. At a time when all sectors of the economy were witnessing an all time low, she credited Shop101 for helping her get back up on her feet.

The products she chose to resell were highly in demand. She received most of her orders from categories such as sarees, dress materials and kitchen utilities and these products seemed to have really worked for her business.

The best part about her journey is the willingness she had to learn on the job. From all that she learned as a reseller with Shop101, she has put to good use by opening her own shop.

If you're ever in Mumbai, you can take a look at 'Ananya collection', which has given this housewife a new start!

TWEETY FRUITY



Be relentless

I have rarely seen a non relentless founder or early startup team member ever make it big. Relentless people seem to have different effect of failure on them. Relentless people are often mocked by those who aren't relentless and best to not have them work together

-Kunal Shah @kunalb11, Founder, CRED

Justice M Rama Jois

My condolences on the passing away of a noted jurist and former governor of Bihar & Jharkhand, Justice M Rama Jois Ji. He made a lasting contribution to Indian judiciary. His efforts in restoring democracy during the 1975 emergency will always be remembered. Om Shanti Shanti

-Amit Shah @AmitShah, Union Home Minister

Weaknesses make us human

Our weaknesses are what makes us human. So, I've always focussed my energies on improving my strengths. That doesn't mean that I ignore the weaknesses completely, but if my strengths become stronger, the weaknesses lose their grip a little

-Harsh Mariwala @hcmariwala, Chairman, Marico

MKTS END LOWER AMID MIXED GLOBAL CUES

Sensex dips 50 pts, Nifty settles at 15,313; PowerGrid rallies 6%

MUMBAI

EQUITY benchmarks Sensex and Nifty ended marginally lower on Tuesday as investors booked profits at higher levels amid a mixed trend in global markets.

After touching a lifetime high of 52,516.76 in the opening session, the 30-share BSE Sensex settled 49.96 points or 0.10 per cent lower at 52,104.17. Similarly, the broader NSE Nifty inched 1.25 points or 0.01 per cent lower to close at 15,313.45.

Axis Bank was the top laggard in the Sensex pack, shedding 2.42 per cent, followed by ICICI Bank, Infosys, Nestle India, SBI, TCS and HUL. On the other hand, PowerGrid rallied over 6 per cent. ONGC, NTPC, Kotak Bank, Reliance Industries and Maruti Suzuki were among the other gainers. "Market, though volatile, kept its momentum during the morning hours, however, failing to hold on to it due to a weak opening of European markets.

The downfall was aggravated by private banks, IT and FMCG stocks while mid and small caps continued their outperformance. "Increased interest was seen in PSU Banks as the government shortlisted four banks for privatisation. The Indian market has been absorbing the global trend these days and we expect that to continue due to the lack of any major domestic event," said Vinod Nair, Head of Research at Geojit Financial Services.

Sector-wise, BSE power, utilities, metal, energy, oil and gas, basic materials and healthcare indices ended with gains, while IT, teck, FMCG, consumer durables and bankex finished in the red. In the broader markets, the BSE midcap and smallcap indices rose up to 0.43 per cent. Global equities were mixed as investors monitored the Covid-19 vaccines rollout amid rising cases in many countries. Elsewhere in Asia, bourses in Hong Kong, Tokyo and Seoul ended with gains. Stock exchanges in Europe were trading on a mixed note in mid-session deals. Meanwhile, the global oil benchmark Brent crude was trading 0.09 per cent lower at $63.24 per barrel. The rupee settled just 1 paisa lower at 72.69 against the US dollar. Foreign institutional investors were net buyers in the capital market as they purchased shares worth Rs 1,234.15 crore on Monday, according to exchange data.

Be careful while adding long positions

KUMUD DAS
MUMBAI

FOR the twelfth consecutive session, the market is managing to set a record high. "It is an overextended market and traders need to be careful when adding long positions at high levels. We must be optimistic but cautiously. According to the Japanese candlestick theory, there is continuity in the market today," says Shrikant Chouhan, EVP, equity technical research at Kotak Securities.

The market has fallen to the lowest level of the previous day but due to the unusual strength in the market, it has turned into a buying opportunity for short-term traders. On Wednesday, the Sensex could show gains up to the 52,400 level and further bullishness above the 52,500 levels. On the downside, the 51,850 level would provide major support and dismissing it would lead to short-term weakness in the market.

STOCK PICKS

- **AARTIIND - Above 1235 with a target of 1270 and Stop loss of 1200. The price has support of 8 & 40 EMA.**
- **BHEL - Above 40.10 with a target of 42.10 and Stop loss of 38.20. It is an upward trending channel.**
- **HINDPETRO - Above 227.40 with a target of 233.70 and Stop loss of 220.90. It has support of 40 EMA and trendline support.**
- **ICICIPRULI - Above 496.10 with a target of 508 and Stop loss of 484. The price bounced from 8 EMA.**
- **SRF - Above 5820 with a target of 6016 and Stop loss of 5624. It has support of 40 EMA and has given consolidation breakout.**

(Source-CapitalVia)

Metals on upward move amid US stimulus hopes

NEW DELHI

THE metal market is again on an upswing with futures of both precious and base metals on the rise largely on the hopes of the proposed massive $1.9 trillion stimulus package in the US along with improving demand. Earlier this month, the US House of Representatives already approved a budget resolution that would allow Congress to pass President Joe Biden's $1.9 trillion Covid-19 relief package without Republican support. Kshitij Purohit, Product Manager for Currency & Commodities with CapitalVia Global Research Ltd. said that the economic package will lead to weakening of the dollar and investments would flow into the safe haven assets of gold and silver. Silver futures in the domestic market are currently trading above Rs 70,000 per kg due to the weak dollar and hopes of further stimulus in the US. The March contract of silver on the Multi Commodity Exchange (MCX) is currently trading at around Rs 70,401 per kg, higher by Rs 272 or 0.39 per cent from its previous close.

Purohit was of the view that futures of silver may touch Rs 73,000 per kg in the near term after the stimulus package is passed in the US Congress and comes into effect. Further, in the mid-term, it may touch the Rs 80,000 per kg mark, he said. On gold futures, analysts said that supply of the yellow metal has been smooth, but demand is yet to pick up including the demand for the marriage season in India. Analysts, however, noted that the downside in gold futures will be capped by the weak dollar. Purohit of Capital Via further said that the 10-year bond yield in the US is elevated currently and is likely to rise further which would support the dollar index.

"Dollar and 10-year bond yield of the US both are the key drivers in short term in the determination of the price of gold and silver," he said. Futures of base metals too have been on the rise off late, largely on the improving demand along with supply concerns. Metals have largely been on the rise on hopes of economic rebound and infrastructure development globally. The February contract of aluminum on the MCX is currently trading at Rs 167.45 kg, higher by 0.18 per cent. The February copper contract on the MCX, is trading 0.16 per cent lower at Rs 643.80 per kg.

Futures of base metals too have been on the rise off late, largely on the improving demand along with supply concerns. Metals have largely been on the rise on hopes of economic rebound and infrastructure development globally

SAT stays Sebi's ban on Biyani from securities mkt

SAT, however, has directed Future Group promoters to deposit a sum of ₹11 cr as an interim measure. The case will now come up on April 12, 2021

MUMBAI

IN a major relief for Future Retail CEO Kishore Biyani, the Securities Appellate Tribunal (SAT) has stayed the Sebi's order restricting him along with other promoters of the group from the securities market for alleged insider trading in the scrip of Future Retail (FRL).

A company statement said the appellate tribunal has stayed the "effect and operation" of Sebi's order accusing the promoters of the Future Group of insider trading in the context of purchases of Future Retail shares made in March 2017.

As per the company, the restructuring of the home furnishing businesses in the Future Group - with the physical store format of Future Retail and online store format of Future Enterprises being demerged into a new company - had been well known in the public since 2016.

Future Group counsel Somasekhar Sundaresan argued that the actual terms of the restructuring were initiated only in April 2017 while the purchases were made in March to avail of the acquisition limits under the takeover regulations.

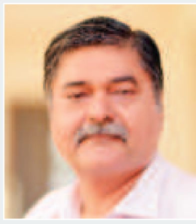

Kishore Biyani, Future Retail CEO

SAT, however, has directed Future Group promoters to deposit a sum of Rs 11 crore as an interim measure. The case will now come up on April 12, 2021. Earlier this month, the capital market regulator Sebi barred Biyani, among others, from the securities market for a period of one year for insider trading in the scrip of Future Retail (FRL).

The other entities and individuals barred by Sebi from the securities market were Future Corporate Resources Private Limited (FCRPL), Kishore Biyani's brother Anil Biyani, Rajesh Pathak and Rajkumar Pande.

An investigation had found that some of the entities traded in shares of Future Retail on the basis of unpublished price sensitive information (UPSI) violating Sebi norms during the period between March 10 and April 20, 2017, said the Sebi order. Further, the notices were also restrained from buying, selling or dealing in the securities of Future Retail Limited (FRL), directly or indirectly, in any manner whatsoever, for a period of two years.

Sebi in its order had also asked Future Corporate Resources, Kishore Biyani and Anil Biyani to jointly and severally disgorge an amount of over Rs 17.78 crore along with an interest at the rate of 12 per cent per annum from April 20, 2020 till the date of actual payment.


Arun Kejriwal

RailTel Corp with strong project background promises growth

IPO TAKE

EXPECT APPRECIATION

RAILTEL Corporation of India Limited (RailTel) is tapping the capital markets with its offer for sale of 8,71,53,369 equity shares in a price band of Rs 93-94. The issue opened on February 16, Tuesday and closes on February 18, Thursday.

The company is into three broad verticals namely: national long distance internet service provider, telecom infrastructure services and managed data centre and hosting. It also has a projects division which does activities in all these three areas plus more. The company had revenues of Rs 1,128 crore for March 20 and Rs 537 crore for the six months ended September 20. Its profits before tax were Rs 184 crore and 67 crore respectively.

The company reported an EPS of Rs 4.40 for the year ended March 2020 and the PE multiple is 21.14 to 21.36 times the earnings. The network for ISP has been created and this should see the company increasing its revenues and its profit in this segment going forward. Secondly, being the telecom arm of the railways, it is executing a number of projects concerning railway safety and accident-free rail travel which on completion would increase profitability of the company significantly.

It has a right of way along the railway tracks and has laid fibre optic cable across 59,098 km against a total of 67,415 km. RailTel has connected railway stations on this route and has internet services and offers the same to passengers, the railways and companies who want connectivity.

For telecom companies it has erected telecom towers alongside the railway tracks to host the repeater stations, so that their subscribers have a better experience. Further for last mile connectivity it uses the services of over 5,000 cable operators in towns and cities and offer ISP services. It also has dark fibre available which would increase the revenue potential going forward. These activities earn regular revenue for the company and it is sweating the assets which have been created. There is virtually zero raw materials incrementally and insignificant maintenance as well.

Projects is a key area for RailTel. Under this segment it executes projects for the ministry of railways on a nomination basis and gets fixed margins. It also does so for other public sector enterprises and international projects involving railways. Recently it was awarded a pilot project for the modern train control system under which a key area would be to ensure that trains are run accident free. This would be a prestigious project for RailTel and post the pilot would be extended to cover the entire network.

RailTel is part of the Bharat Net project and is creating the network which would connect India with gram panchayats. This covers the entire country and RailTel is doing part of this nationwide project. RailTel has already connected 56,611-gram panchayats and wi-fi is operational in 24,804-gram panchayats.

RailTel is looking to expand its activities to include high speed mobile communication corridors to cater to voice and data needs of ground to train communication and also train to train communication. This would be a big opportunity as there would be video on demand services offered by RailTel.

Being a railway company, RailTel has a distinct advantage over other service providers. It is this opportunity and the unique network along the railway tracks which ensures steady and profitable revenues for the company. An attractive offering with ample scope for appreciation.

(The author is the founder of Kejriwal Research and Investment Services, an advisory firm)

Market set to remain flat during the week on profit booking

Nifty likely to shuffle between 15.2k and 15.4k points

T BRAHMACHARY

INDIAN stock market ended on a flat note after a highly volatile session. Profit booking caused the sudden sell-off in the BFSI sectors resulting in halt for a marathon rally. Reliance and Metal sector limited the losses in the benchmark index. With an almost 100 point recovery from the day's low, the Nifty closed at 15,313.45 with just 1.25 points loss.

The Banknifty and FinNifty closed with half a percentage of loss. The Nifty IT index has 1.49 per cent. The market breadth was negative as 1,056 declines and 829 advances were recorded, whereas 348 stocks closed unchanged.

Dalal Street witnessed the profit booking after reaching another new high. After opening at a gap up, it fell sharply below the opening level and tested the previous day's low. A 200 point move on a high volatile note triggered a caution for the bulls. It formed a long-legged small body candle.

With today's volatility, it will challenge task to take positions on either side. Though it tested the previous day low, it did not close below the previous day low and did not give any bearish or reversal confirmation. Today's bar is also an outside bar, which is generally a reversal sign. The negative divergence in RSI on 75 minutes chart is clearly visible with today's fall.

After a massive move in the Banking and Financial services sectors, they retraced about half a percentage. With increased volatility and negative market breadth, it is time to be cautious about the direction. Even for the next two days, 15,246 will act as a significant support for now.

NIFTY REVIEW

Unless the Nifty closes below this level, we may not get the confirmations. On an hourly chart, the pullback efforts failed to close above the previous bar signalling the weakness. Even the last hour short-covering pullback also was unable to close above the previous bar. On the 75 minute chart, the MACD gave a sell signal. The positive momentum indicator +DMI was above the -DMI and ADX showed some strength in the index. For the three days this week, the Nifty may consolidate between 15,431 and 15,213 levels. This 200 point range will act as critical in the short term direction. We may experience high volatility in this range.

(The author is a financial journalist, technical analyst, trainer, family fund manager)

Experts put 'Buy' rating for Suven on increased chemical supplies

Risks: Currency fluctuations, delay in new orders from clients

STOCK TAKE

ANALYSTS have upgraded Suven Pharmaceuticals to a 'Buy'. After assessing the performance of the company, they reported the following: FY21e/FY22e/FY23e profit after tax (PAT) at 3.7 per cent/3.5 per cent/4.4 per cent and expect earning per share (EPS) of Rs14.7/17.8/21.2. They set a higher purchase price target of Rs 594 (earlier it was Rs 375), according to an analytical report by Anand Rathi Equity Research group.

Strong 53.8 per cent/96.2 per cent sales/PAT growth in Q3 FY21 led to full recovery for Suven's 9M FY21, otherwise hit by the Covid pandemic. Its 50 per cent EBITDA margin expanded 568bps yoy due to more supplies for clinical stage molecules. Management has maintained its FY21 overall 15-20 per cent profit growth guidance.

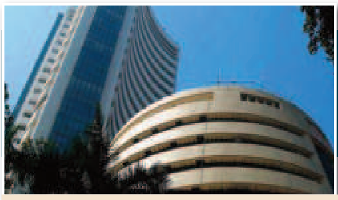
A strong, 20.1 per cent, Compound annual growth rate (CAGR) over FY20-23 in sales, driven by more orders is expected. The company has initiated commercial supplies for two specialty-chemical products and one in the pharmaceutical division. The company has launched of 3-5 formulation products in the year.

In Q3 FY21, the contract development and manufacturing organization (CDMO) pharma division grew 175.2 per cent yoy to Rs 2.2 billion as on the re-initiation of supplies for molecules in clinical trials. Specialty CDMO sales fell 49.5 per cent to Rs 347million. Management is confident of initiating commercial supplies for one specialty chemical molecule each in Q1 FY22/FY23 and one in pharma in FY22. We expect 20.6 per cent/13.1 per cent sales CAGRs in its CDMO pharma/specialty chemicals divisions over FY20-23, the report added.

Q3 FY21 sales of formulations and other services were Rs 126 million and Rs 107 million respectively. The company has so far launched five ANDAs and plans one in Q4 FY21 and 3-4 products in FY22. We expect this category to grow 36.4 per cent over FY20-23.

At the current market price (CMP) of Rs 314, the stock trades at 35.1x, 29.1x and 24.4x for FY21e/FY22e/FY23e respectively.

(Source: Anand Rathi Equity Research)



STOCK MARKET

NIFTY 50

Symbol	LTP	%Chg
ADANIPORTS	636.55	1.4
ASIANPAINT	2450.25	-0.26
AXISBANK	775.05	-2.39
BAJAJ-AUTO	4132.85	0.26
BAJAJFINSV	10460.6	-0.73
BAJFINANCE	5760.25	-0.34
BHARTIARTL	593.95	0.04
BPCL	417.95	-0.25
BRITANNIA	3389.45	-0.81
CIPLA	848.35	0.48
COALINDIA	133.75	1.13
DIVISLAB	3686.5	-0.66
DRREDDY	4696.6	-0.28
EICHERMOT	2726.95	-1.56
GAIL	133.1	-0.52
GRASIM	1243.75	1.29
HCLTECH	952.3	-0.25
HDFC	2858.65	-0.06
HDFCBANK	1626.65	0.62
HDFCLIFE	695.35	0.01
HEROMOTOCO	3461.55	-0.11
HINDALCO	302.7	3.88
HINDUNILVR	2196.1	-0.86
ICICIBANK	658.35	-2.31
INDUSINDBK	1058.25	0.06

Symbol	LTP	%Chg
INFY	1290.4	-1.47
IOC	95.6	1.54
ITC	218.25	-0.16
JSWSTEEL	407.65	0.98
KOTAKBANK	2019.65	1.7
LT	1549.45	0.77
M&M	912.2	0.04
MARUTI	7697.05	1.32
NESTLEIND	17217.25	-1.5
NTPC	98	2.94
ONGC	103.75	5.38
POWERGRID	225.55	6.17
RELIANCE	2059.5	1.32
SBILIFE	872	-0.6
SBIN	402.35	-1.13
SHREECEM	28597.4	-0.19
SUNPHARMA	631.15	0.58
TATAMOTORS	329.2	-1.24
TATASTEEL	699.2	4.02
TCS	3108.8	-0.99
TECHM	986.8	0.78
TITAN	1471.85	-0.87
ULTRACEMCO	6457.8	0.78
UPL	538.95	0.28
WIPRO	437.55	-0.49

SENSEX 30

ASIANPAINT	2450	-0.31	LT	1548.75	0.71
AXISBANK	775.3	-2.42	M&M	912.25	-0.07
BAJAJ-AUTO	4132.25	0.24	MARUTI	7691.85	1.26
BAJFINANCE	5758.7	-0.38	NESTLEIND	17222.45	-1.5
BHARTIARTL	594	0.03	NTPC	98.05	2.94
HCLTECH	952.95	-0.16	ONGC	103.75	5.44
HDFC	2856.55	-0.13	POWERGRID	225.45	6.24
HDFCBANK	1626.6	0.63	RELIANCE	2059.65	1.33
HEROMOTOCO	3461.45	-0.16	SBIN	402.3	-1.17
HINDUNILVR	2196.9	-0.86	SUNPHARMA	631	0.58
ICICIBANK	658.5	-2.3	TATASTEEL	698.6	3.98
INDUSINDBK	1058.65	0	TCS	3109.3	-0.98
INFY	1290.1	-1.5	TECHM	987.35	0.84
ITC	218.25	-0.18	TITAN	1472.35	-0.78
KOTAKBANK	2021.65	1.78	ULTRACEMCO	6457.7	0.77

BULLISH

Symbol	LTP	%Chg	Symbol	LTP	%Chg
JINDALSTEL	331.9	7.17	LUPIN	1104.95	4.1
POWERGRID	225.9	5.91	MFSL	855.95	4.1
ONGC	102	5.26	TATASTEEL	701.25	4.08
TATAPOWER	91.05	4.6	HINDALCO	302.75	3.65
HAVELLS	1222.05	4.11	BANDHANBNK	353	3.61

BEARISH

NAUKRI	5127.3	-7.5	PAGEIND	29390	-2.17
IDEA	11.75	-2.89	ICICIBANK	661	-2.09
GODREJCP	724.75	-2.88	AXISBANK	779.4	-1.95
SIEMENS	1836.75	-2.4	INDIGO	1618	-1.89
AMARAJABAT	897.6	-2.21	BATAINDIA	1529.35	-1.63

52 WEEK HIGH AND LOW

Symbol	LTP	High Price	%Chg
HIGH			
Kirloskar Industries Ltd	1490.45	1490.45	20
OnMobile Global Ltd	94.8	94.8	20
Bank of India	70.6	70.6	19.97
Remsons Industries Ltd	154.1	154.1	19.97
Bank of Maharashtra	19.05	19.05	19.81
HEG Ltd	1451.55	1467	17.08
Adani Transmission Ltd	763.55	787.7	11.82
Graphite India Ltd	486.85	495.8	11.51
Almondz Global Securities Ltd	25.4	25.4	9.96
Ashoka Buildcon Ltd	116.75	118.1	9.32

Symbol	LTP	Low Price	%Chg
LOW			
Shyam Telecom Ltd	5.95	5.5	2.59
Global Education Ltd	50.85	50.05	0.49
Novartis India Ltd	607.9	605.75	-0.26
Valiant organics Ltd	1325.8	1321.05	-0.96

PROFIT BOOKING

Symbol	LTP	%Chg
ZEEL	206.65	-2.73
SRTRANSFIN	1485.85	-1.96
LICHSGFIN	469.95	-1.69
VOLTAS	1045.05	-1.52
CONCOR	536.7	-1.41

SHORT COVERING

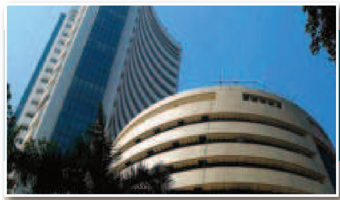
TORNTPOWER	346	5.2
NATIONALUM	50.4	3.38
BHEL	40.15	3.21
SAIL	64.75	2.61
IOC	96.25	1.85
HINDPETRO	226.75	1.5
RBLBANK	258.4	1.47
JSWSTEEL	407.8	1
AARTIIND	1229	0.99
HDFCBANK	1630.95	0.48

VOLUME BUSTERS

Symbol	LTP	%Chg
SRF	5804	2.74
LUPIN	1104.95	4.1
TATAPOWER	91.05	4.6
GLENMARK	508	3.46
TORNTPHARM	2596.25	-0.82
GMRINFRA	25.3	-0.98
BHEL	40.15	3.21
IBULHSGFIN	226.4	1.89
INFY	1299.05	-0.93
CIPLA	852	0.61
INDUSTOWER	248.2	-0.66
GRASIM	1248.2	1.53
PEL	1854	0.47
TATACONSUM	630.85	1.12
M&MFIN	220.5	1.4
PAGEIND	29390	-2.17
BPCL	404.25	-0.07
MARICO	411.3	0.15
AUROPHARMA	938.9	0.58
BANDHANBNK	353	3.61

NIFTY 500

3MINDIA	21298.05	1.37
AARTIIND	1227.9	0.98
AAVAS	2212.9	-0.7
ABB	1500.5	1.79
ABBOTINDIA	14700.7	1.74
ABCAPITAL	97.75	3.88
ABFRL	164.85	-1.23
ACC	1819.3	1.75
ATGL	497	16.41
ADANIGREEN	1078.3	1.45
ADANIPORTS	636.55	1.4
ADANIPOWER	55.2	-2.99
ADANITRANS	763.55	11.82
ADVENZYMES	373.1	3.62
AEGISCHEM	300.85	1.19
AFFLE	5189.4	0.74
AIAENG	1949.9	-1.04
AJANTPHARM	1803.1	-0.27
AKZOINDIA	2190.75	-0.09
ALKEM	2876.2	-0.34
ALKYLAMINE	5199.25	-0.48
ALLCARGO	130.35	1.56
AMARAJABAT	907.9	-2.21
AMBER	3215.4	-0.53
AMBUJACEM	284.05	0.23
APLAPOLLO	958.1	-1.87
APLLTD	960.9	-1.78
APOLLOHOSP	3202.75	3.63
APOLLOTYRE	236.25	-0.74
ASHOKA	116.75	9.32
ASHOKLEY	128.75	-1.27
ASIANPAINT	2450.25	-0.26
ASTERDM	148.7	-1.1
ASTRAL	2013.9	-0.51
ASTRAZEN	3768.85	3.8
ATUL	6770.55	0.84
AUBANK	1092.75	0.11
AUROPHARMA	935.85	0.39
AVANTIFEED	486.3	-1.14
AXISBANK	775.05	-2.39
BAJAJ-AUTO	4132.85	0.26
BAJAJCON	238.95	-1.81
BAJAJELEC	1053.05	-1.46
BAJAJFINSV	10460.6	-0.73
BAJAJHLDNG	3618.95	1.62
BAJFINANCE	5760.25	-0.34
BALKRISIND	1621.55	-1.74
BALMLAWRIE	113.5	0.22
BALRAMCHIN	157.45	0.22
BANDHANBNK	350.15	3
BANKBARODA	79.7	0.19
BANKINDIA	70.6	19.97
BASF	1999.75	-2.4
BATAINDIA	1524.65	-1.83
BAYERCROP	5245.7	2.25
BBTC	1200.65	-0.56
BDL	342.2	-0.8
BEL	133.15	-2.17
BEML	940.15	-2.02
BERGEPAINT	759.55	-0.59
BHARATFORG	630.75	0.43
BHARATRAS	9753.35	-1.85
BHARTIARTL	593.95	0.04
BHEL	39.9	2.57
BIOCON	417.4	2.32
BIRLACORPN	906.8	1.12
BLISSGVS	178.05	0.42
BLUEDART	4879.75	4.94
BLUESTARCO	816.55	-0.35
BOMDYEING	71.25	-0.7
BOSCHLTD	15579.6	-0.8
BPCL	417.95	-0.25
BRIGADE	281.8	0.93
BRITANNIA	3389.45	-0.81
BSE	596.45	-1.96
BSOFT	243.25	0
CADILAHC	468.9	0.42
CANBK	162.6	0.03
CANFINHOME	512.7	0.74
CAPLIPOINT	471.1	-1.01
CARBORUNIV	502.05	-0.68
CARERATING	489.7	1.48
CASTROLIND	126.65	-0.12
CCL	242.3	0.92
CDSL	555.25	-2.24
CEATLTD	1617.7	-0.61
CENTRALBK	16.7	19.71
CENTURYPLY	307.45	-0.6
CENTURYTEX	457.35	-1.03
CERA	3993	4.1
CESC	618.1	-1.11
CGCL	334.4	-4.76
CHAMBLFERT	235.85	-1.05
CHENNPETRO	94.4	-0.89
CHOLAFIN	528.05	-0.88
CHOLAHLDNG	589.75	3.24
CIPLA	848.35	0.48
COALINDIA	133.75	1.13
COCHINSHIP	362.35	1.22
COFORGE	2622.05	1.04
COLPAL	1581.05	-1.09



STOCK MARKET

NIFTY 500

Symbol	LTP	%Chg
CONCOR	537.15	-1.31
COROMANDEL	782.8	1.13
CREDITACC	709.65	0.87
CRISIL	2007.85	-0.64
CROMPTON	397.7	0.7
CSBBANK	218.7	-0.57
CUB	165.75	-1.92
CUMMINSIND	766.35	0.66
CYIENT	619.65	-0.71
DABUR	522.6	-0.89
DALBHARAT	1444.8	-2.04
DBCORP	85.4	-2.57
DBL	554.8	-0.27
DCAL	120.05	-2.6
DCBBANK	114.55	-0.09
DCMSHRIRAM	474.95	4.17
DEEPAKNTR	1273.8	8.06
DELTACORP	154.75	0.81
DHANUKA	753.2	-1.14
DISHTV	11.5	0
DIVISLAB	3686.5	-0.66
DIXON	18620.5	0.2
DLF	319	0.55
DMART	3130.85	2.83
DRREDDY	4696.6	-0.28
ECLERX	921.35	-2.38
EDELWEISS	66.8	-1.62
EICHERMOT	2726.95	-1.56
EIDPARRY	315.35	0.46
EIHOTEL	99.35	0
ELGIEQUIP	166.85	1.27
EMAMILTD	478.3	1.82
ENDURANCE	1471.5	-1.98
ENGINERSIN	71.3	-3.52
EPL	222.95	-2.43
EQUITAS	83.95	-1.93
ERIS	575.8	0.86
ESABINDIA	1868.1	0.08
ESCORTS	1391.05	-0.44
EXIDEIND	211.4	-0.38
FCONSUMER	8.3	-0.6
FDC	296.9	-1.93
FEDERALBNK	85.4	0.23
FINCABLES	379.35	-1.62
FINEORG	2391.5	0.39
FINPIPE	664.25	-1.48
FLUOROCHEM	569.9	1.17
FORTIS	162.7	-0.46
FRETAIL	76.6	-1.67
FSL	97.5	-0.76
GAIL	133.1	-0.52
GALAXYSURF	2192.05	0.07
GARFIBRES	2262.2	0.15
GEPIL	275	-1.19
GESHIP	258.05	0.25
GET&D	122.4	-1.61
GHCL	211.65	0.76
GICRE	141.95	-1.29
GILLETTE	5652.1	0.04
GLAXO	1438.55	0.39
GLENMARK	503.2	2.56
GMDCLTD	54.8	0.46
GMMPFAUDLR	3736.1	-1.5
GMRINFRA	25.25	-1.17
GNFC	227.55	-0.68
GODFRYPHLP	922.95	-0.06
GODREJAGRO	494.85	-0.58
GODREJCP	721.1	-2.99
GODREJIND	446.25	-0.38
GODREJPROP	1522.8	0.85
GPPL	95.1	1.06
GRANULES	351	-0.27
GRAPHITE	486.85	11.51
GRASIM	1243.75	1.29
GREAVESCOT	98.95	5.55
GRINDWELL	859.5	-2.49
GRSE	198.3	-0.38
GSFC	76.65	-0.2
GSPL	236.3	1.9
GUJALKALI	309.9	-0.4

Symbol	LTP	%Chg
GUJGASLTD	440.3	1.96
GULFOILLUB	749.2	1.27
HAL	1017.05	-1.86
HATHWAY	30.05	-0.83
HATSUN	708.5	-0.56
HAVELLS	1216.15	3.74
HCLTECH	952.3	-0.25
HDFC	2858.65	-0.06
HDFCAMC	3000.55	-0.15
HDFCBANK	1626.65	0.62
HDFCLIFE	695.35	0.01
HEG	1451.55	17.08
HEIDELBERG	234.3	-1.45
HERITGFOOD	276.5	-0.11
HEROMOTOCO	3461.55	-0.11
HFCL	27.4	-2.66
HIMATSEIDE	155.05	1.71
HINDALCO	302.7	3.88
HINDCOPPER	76.4	1.33
HINDPETRO	225.65	1.37
HINDUNILVR	2196.1	-0.86
HINDZINC	304.7	2.56
HONAUT	43347.95	2.23
HSCL	44.65	-1.22
HUDCO	44.15	-0.34
IBREALEST	85.1	4.74
IBULHSGFIN	226.1	1.87
DHANI	364.95	2.6
ICICIBANK	658.35	-2.31
ICICIGI	1504.9	0.48
ICICIPRULI	490.75	0.9
ICRA	2821	-0.34
IDBI	28.85	-0.17
IDEA	11.75	-2.89
IDFC	47.85	-2.64
IDFCFIRSTB	53.85	-0.46
IEX	277.2	-4.91
IFBIND	1287.45	0.12
IFCI	8.45	-0.59
IGL	547.65	1.09
IIFL	241.6	-1.71
IIFLWAM	1225.8	0.01
INDHOTEL	126.8	-3.9
INDIACEM	170.15	-0.73
INDIAMART	8855.85	-2.56
INDIANB	129.85	3.26
INDIGO	1610.45	-1.95
INDOCO	292.8	0.07
INDOSTAR	315.95	-1
INDUSINDBK	1058.25	0.06
INFIBEAM	88.55	-1.12
INDUSTOWER	247.15	-0.88
INFY	1290.4	-1.47
INGERRAND	761.2	-2.49
INOXLEISUR	328.45	-0.15
INTELLECT	428.25	-2.2
IOB	13.1	19.63
IOC	95.6	1.54
IPCALAB	1901.25	0.26
IRB	107.85	-1.01
IRCON	93.55	-1.78
IRCTC	1674.15	-2.27
ISEC	413.85	-0.89
ITC	218.25	-0.16
ITDC	302.9	0.2
ITI	121.8	0.16
J&KBANK	28.8	-0.86
JAGRAN	43.95	1.27
JAICORPLTD	88.4	-0.84
JAMNAAUTO	69.85	-1.2
JBCHEPHARM	1248.15	0.37
JCHAC	2464.25	-0.53
JINDALSAW	71.25	0.92
JINDALSTEL	332.65	7.79
JKCEMENT	2695.55	-2.81
JKLAKSHMI	378.55	2.3
JKPAPER	140.65	0.79
JKTYRE	125.25	-1.53
JMFINANCIL	93.4	1.85
JSL	71.65	0.92

Symbol	LTP	%Chg
JSLHISAR	124.8	4.35
JSWENERGY	75	-1.12
JSWSTEEL	407.65	0.98
JTEKTINDIA	88.9	-1.22
	854.75	0
JUBLFOOD	2881.65	0.4
JUSTDIAL	661.45	-3.71
JYOTHYLAB	151.95	0
KAJARIACER	974.7	1.39
KALPATPOWR	371.1	0.45
KANSAINER	586.65	-0.69
KARURVYSYA	54.85	1.48
KEC	428.95	-1.85
KEI	509.15	-1.99
KNRCON	220.05	0.48
KOLTEPATIL	250.1	1.6
KOTAKBANK	2019.65	1.7
KPRMILL	922.6	0.27
KRBL	187.95	0.43
KSB	676.45	1.45
KSCL	517.1	-1.28
KTKBANK	65.4	0.93
L&TFH	98.6	0.2
LALPATHLAB	2387.85	-1.19
LAOPALA	215.8	2.84
LAURUSLABS	372.7	1.08
LAXMIMACH	6153.05	-0.67
LEMONTREE	43.95	0.46
LICHSGFIN	469.8	-1.31
LINDEINDIA	1279.6	1.46
LT	1549.45	0.77
LTI	3944.95	-2.16
LTTS	2660.3	2.85
LUPIN	1096.8	3.61
LUXIND	1838.3	0.13
M&M	912.2	0.04
M&MFIN	220.75	1.17
MAHABANK	19.05	19.81
MAHINDCIE	200.55	-0.55
MAHLOG	500.85	0.81
MAHSCOOTER	3917.4	0.28
MAHSEAMLES	284.4	0.62
MANAPPURAM	175.75	-1.24
MARICO	409.25	-0.3
MARUTI	7697.05	1.32
MASFIN	837.1	-0.75
MCDOWELL-N	568.45	-0.19
MCX	1535.45	-0.03
METROPOLIS	1936.05	-3.82
MFSL	852.75	4.15
MGL	1145.25	1.45
MHRIL	231.5	-0.94
MIDHANI	184.4	-0.05
MINDACORP	95.7	0.63
MINDAIND	570.25	-2.17
MINDTREE	1686.65	-1.92
MMTC	27.65	-1.6
MOIL	140.2	0.61
MOTHERSUMI	213.45	1.31
MOTILALOFS	606.25	0.84
MPHASIS	1683.6	0.77
MRF	89575.35	-1.18
MRPL	34.5	0.29
MUTHOOTFIN	1315.3	-0.45
NAM-INDIA	345.2	1.72
NATCOPHARM	819.35	-2.72
NATIONALUM	50.15	3.19
NAUKRI	5095.2	-7.71
NAVINFLUOR	2509.1	-2.04
NBCC	32.4	0.62
NBVENTURES	58.4	-1.18
NCC	82.9	-2.53
NESCO	615.6	-1.07
NESTLEIND	17217.25	-1.5
NFL	38.85	-0.13
NH	464.9	-0.1
NHPC	25.25	0
NIACL	135.65	-0.59
NILKAMAL	1810.3	-1.53
NLCINDIA	51.3	0.1

Symbol	LTP	%Chg
NMDC	115.5	3.03
NOCIL	175	4.92
NTPC	98	2.94
OBEROIRLTY	577.6	-2.03
OFSS	3134.7	-1.07
OIL	118.25	1.9
OMAXE	71.95	-0.76
ONGC	103.75	5.38
ORIENTCEM	96	1.21
ORIENTELEC	281.85	-0.62
ORIENTREF	237.65	-0.56
PAGEIND	29343.15	-2.46
PEL	1842.1	-0.02
PERSISTENT	1738.9	-2.72
PETRONET	242.8	1.19
PFC	133.7	1.98
PFIZER	4606.05	1
PGHH	13109.35	-3.11
PGHL	7364.95	-0.88
PHILIPCARB	199.7	3.26
PHOENIXLTD	843.8	0.7
PIDILITIND	1789.15	1.28
PIIND	2226.7	0.7
PNB	39.5	-0.13
PNBHOUSING	409.85	10.46
PNCINFRA	273.35	-0.24
POLYCAB	1326.4	0.47
POLYMED	630.5	1.4
POWERGRID	225.55	6.17
PRAJIND	131.65	2.89
PRESTIGE	284.9	-2.13
PRSMJOHNSN	114	-1.77
PSPPROJECT	467.95	-2.1
PTC	69.05	-0.58
PVR	1480.1	0.57
QUESS	720.25	5.05
RADICO	563.2	-1.06
RAIN	139.9	-0.5
RAJESHEXPO	479.4	0.4
RALLIS	265.75	0.09
RAMCOCEM	989.95	1.36
RATNAMANI	1681.9	1.29
RAYMOND	331.8	-0.06
RBLBANK	258.5	1.77
RCF	53.6	0.85
RECLTD	153.7	0.62
REDINGTON	173.9	6.85
RELAXO	874.65	0.06
RELIANCE	2059.5	1.32
RENUKA	9.3	1.09
RITES	244.4	1.88
RVNL	30.75	-0.97
SADBHAV	77.85	-2.69
SAIL	64.75	3.27
SANOFI	7830.65	-0.18
SBICARD	1019.35	-0.01
SBILIFE	872	-0.6
SBIN	402.35	-1.13
SCHAEFFLER	5032.15	0.31
SCHNEIDER	98.35	-0.66
SCI	85.9	-0.69
SEQUENT	248.6	0.08
SFL	2038.1	0.13
SHOPERSTOP	213.05	-1.75
SHREECEM	28597.4	-0.19
SHRIRAMCIT	1495.2	0.9
SIEMENS	1831.55	-2.34
SIS	433.7	1.87
SJVN	26.9	0.19
SKFINDIA	2338.65	-1.04
SOBHA	452.7	1.21
SOLARINDS	1289.85	3.33
SONATSOFTW	394.65	0.57
SOUTHBANK	8.15	1.24
SPARC	181.1	-0.71
SPICEJET	87.35	-2.18
SRF	5787.6	2.94
SRTRANSFIN	1477.8	-2.35
STAR	898.05	-0.78
STARCEMENT	98.25	0.31

Symbol	LTP	%Chg
STLTECH	186.75	3.61
SUDARSCHEM	504	-1
SUMICHEM	301.5	-1.12
SUNDARMFIN	2355.55	7.77
SUNDRMFAST	652.1	0.81
SUNPHARMA	631.15	0.58
SUNTECK	360.75	-1.84
SUNTV	516.3	-0.51
SUPRAJIT	254.95	1.37
SUPREMEIND	1972.85	1.15
	5.85	0
SWANENERGY	146.55	-2.1
SWARAJENG	1281.4	-0.45
SWSOLAR	229.7	-2.67
SYMPHONY	1052.6	-0.65
SYNGENE	591.9	0.32
TAKE	56.1	-2.94
TASTYBITE	14474.2	2.28
TATACOFFEE	109.25	0
TATACOMM	1051.5	5.73
TATACONSUM	628.35	0.84
TATAELXSI	2886.15	0.96
TATAINVEST	1075.95	-0.78
TATAMOTORS	329.2	-1.24
TATAMTRDVR	133.05	-0.34
TATAPOWER	90.25	4.09
TATASTEEL	699.2	4.02
TATASTLBSL	43.95	3.9
TCIEXP	946.4	0.24
TCNSBRANDS	403.85	1.09
TCS	3108.8	-0.99
TEAMLEASE	3094	0.55
TECHM	986.8	0.78
THERMAX	1147.5	-1.05
THYROCARE	926.5	3
TIINDIA	1020.1	2.02
TIMETECHNO	51.55	-0.96
TIMKEN	1358.25	3.86
TITAN	1471.85	-0.87
TORNTPHARM	2588.8	-0.67
TORNTPOWER	345.05	3.51
TRENT	750.25	6.92
TRIDENT	13.55	-2.87
TTKPRESTIG	7353.2	0.81
TV18BRDCST	29.8	-0.5
TVSMOTOR	628.85	-0.29
TVTODAY	261.8	1.14
UBL	1276.7	0.08
UCOBANK	13.15	2.33
UFLEX	357.3	0.66
UJJIVAN	246	-0.71
UJJIVANSFB	35.95	0.14
ULTRACEMCO	6457.8	0.78
UNIONBANK	34.6	3.28
UPL	538.95	0.28
VAIBHAVGBL	2919.8	-1.82
VAKRANGEE	59.2	1.81
VARROC	383.75	0.01
VBL	901.6	-4.59
VENKEYS	1607.1	-0.61
VESUVIUS	1037.95	0.64
VGUARD	220.7	-1.19
VINATIORGA	1506.9	1.31
VIPIND	379.6	-0.94
VMART	2763.65	-3.54
VOLTAS	1037.65	-1.92
VRLLOG	229.05	0.13
VSTIND	3620.5	1.77
VTL	1040.45	1.57
WABCOINDIA	6060.35	-0.61
WELCORP	125.45	1.62
WELSPUNIND	66.8	-1.04
WESTLIFE	456.45	-0.67
WHIRLPOOL	2454.05	-0.73
WIPRO	437.55	-0.49
WOCKPHARMA	505.1	2.4
ZEEL	206.1	-2.65
ZENSARTECH	228.85	-0.56
ZYDUSWELL	1879.6	1.26

Nizamabad awaits industrial growth



Agriculture and poultry resources available in abundance. Development plans made but yet to see the light of the day

HANS NEWS SERVICE
NIZAMABAD

TELANGANA government has been pushing the industrial development by focusing on establishment of large and small industries in the Nizamabad district. The State government's thrust is on speeding up traditional industrial growth vis a vis software and information technology industry development in the Nizamabad district.

In a bid to boost the software industry in the district, the State government has constructed IT towers in Nizamabad town at an investment of Rs 25 crore.

The government has identified that the district has huge untapped potential for establishing industries related to food processing. There is a abundant availability of the several kinds of agriculture produce, which can act as raw material for the food processing industries. These units in turn would create employment opportunities in the district.

The district can be transformed from a purely agrarian economy to an agrarian and industrial economy. Turmeric, oil extraction from paddy, soybean and oil seeds, soy products, rice and maize products and milk and dairy segments are its strengths.

Currently, agricultural produce is transported to other districts and States for processing. Thus depriving the district of the crucial industrial growth. For example, there is only one mill making industrial grade starch in the district.

Providing important facilities that can enable the ease of setting up units and running business such as, establishing common pool of infrastructure and amenities to be used by a group of small units, is rapidly picking up in the district. This acts as value addition for the opportunities with low per capita investment.

Spice Park

The Spice Park proposed in Padgal village of Velpur mandal has not yet become operational. It has to be established in an area of 43.23 acres. The government had made an allocation of Rs 15.50 crore in the 2016-17 budget and the total estimate was pegged at about Rs 30 crore.

Smart Agro Industries Corporation Private Limited has set up a food processing park in Nandipet mandal. The facility is ready for setting up units. However, no investments have been made yet. The TS government wants to encourage private players to process turmeric and encourage turmeric by-products.

Efforts were made to rope in the Patanjali Company headed by prominent Yoga Guru Baba Ramdev to establish the park. But not to be.

Some other private players such as Tetrapak wanted to establish milk processing and storage units. They wanted to work in unison with the Nizamabad unit of Telangana State Dairy Development Federation Corporation.

There is sufficient scope for improving milk production, poultry population increase besides promoting layering and broiler production activities that can be carried out on the marginal and waste lands.

The share of the district in the State agriculture output is significant – paddy 18 per cent, soya bean 25 per cent, turmeric 31 per cent.

Nizamabad has a prominent place on the global turmeric map. It contributes 8 per cent to global production. There are about 690 small and medium sized units, predominantly into rice milling, seed processing and timber cutting, employing over 10,000 people. About 10,000 graduates enter the employment market each year with few job opportunities in the district.

Nizamabad has eco spots that can be developed to create interest in tourists through leisure stay, trekking and adventure stay, and pilgrimages. Interestingly, hotels are built in abandoned quarries abroad to promote tourism, a research paper on the district development states.

Largest sugar factory in Asia, Nizam Sugars was established in 1938 in Bodhan. Later its units were established in several other places. In undivided Andhra Pradesh, the then TDP government as part of development of Nizam Sugars sold 51 per cent stake to private players.

The sugar factory has three additional units at Bodhan, Metpally and Mumbojipally (Medak). During 2014 election campaign, the TRS leadership had promised to take over Nizam Sugars if they come to power and develop it.

As promised, the TRS government in 2015 issued a GO to continue all the three units of the sugar factory under cooperative sector. In this backdrop a lay off was declared and all the three units were closed. People still waiting for the poll promises to be fulfilled.

> The district can be transformed from a purely agrarian economy to an agrarian and industrial economy. Turmeric, oil extraction from paddy, soybean and oil seeds, soy products, rice and maize products and milk and dairy segments are its strengths

Trade unions to boycott RINL Day fete

Privatisation bid to become key issue in GVMC elections

SANTOSH PATNAIK
VISAKHAPATNAM

SEVERAL trade unions of Rashtriya Ispat Nigam Limited, the corporation entity of Visakhapatnam Steel Plant, have decided to boycott the Formation Day celebrations on February 18 and organise a road blockade by about 20,000 protesters even as the privatisation is likely to become a key issue in the elections announced for Greater Visakhapatnam Municipal Corporation on March 10.

Civic issues like erratic road digging and clogging drains are expected to be pushed to the corner, with various political parties gearing up to make Centre's decision to privatise RINL the main topic. The elections for GVMC-the largest corporation in Andhra Pradesh are being held after a gap of 14 years due to court cases over merger of 10 villages from Bheemili and Anakapalle with the corporation.

GVMC has a key role to play in development of smart city with funds to the tune of Rs1,000 crore sanctioned by the Centre and 140.11-km Metro Rail proposed by the State Government from Anakapalle to Bhogapuram International Airport at an estimated cost of Rs 22,000 crore.

Due to long gestation, the steel plant was established on February 18, 1982. "We will not only abstain from the celebrations in protest against privatisation decision, but also block nearly 2-km long road near Kurmannapalem gate to Kanithi Balancing Reservoir Road by about 20,000 people by inviting leaders from YSRCP, TDP and other parties barring the BJP," Visakha Ukku Parirakshana Committee leader and recognised union president J Ayodharam told Bizz Buzz on Tuesday.

As almost every family in the city has some connections with Visakhapatnam Steel Plant, set up after a decade-long agitation in 1960s claiming 32 human lives in police firing forcing then Prime Minister Indira Gandhi to concede the demand.

The decision of Cabinet Committee on Economic Affairs on January 27, disclosed through a tweet to sell 100 per cent shareholding in RINL, is being described as an insult to `Pride of Andhra Pradesh' as the steel plant was established after the 'Visakha Ukku Andhrula Hakku' agitation.

Now various political parties such as YSR Congress Party and Telugu Desam Party are trading charges against each other. The local BJP leaders who called on Prime Minister Narendra Modi along with BJP national general secretary and former Vizag MP Daggubati Purundeswari and State BJP president Somu Veerraju have already felt the heat and appealed to the Centre to reconsider the decision.

Palla hospitalised

Meanwhile, tension gripped parts of Gajuwaka following early morning shifting of TDP leader and former MP Palla Srinivasa Rao to the hospital run by a dairy following deterioration of his health. He was on a fast-unto-death from last Wednesday demanding continuation of RINL in public sector.

The police hospitalised him hours before the scheduled visit of TDP leader and former Chief Minister N Chandrababu Naidu to the city to express his solidarity with the agitating employees of RINL.

Sandeep Wirkhare, CEO, Managing Director

Bizz Talk

We hope to grow our disbursement by 50% next fiscal as schools reopen

Current pandemic provided an opportunity to transform our business model, says Indian School Finance CEO Sandeep Wirkhare

Indian School Finance Company (ISFC) is an NBFC focussed on lending to unaided schools for their business operations and expansion. As the current pandemic has disrupted the educational year, it impacted the disbursals of the NBFC along with higher default rates. However, with schools reopening in many parts of the country, ISFC is slowly witnessing demand coming back. In an exclusive interview with *Bizz Buzz*, the company's CEO and Managing Director Sandeep Wirkhare said ISFC's loan book is likely to grow more than 50 per cent in the next financial year despite a contraction this fiscal. It also sees asset quality improvement in the coming quarters

DEBASIS MOHAPATRA

HOW was the business last year for ISFC given the fact that the whole educational year was severely disrupted due to the Covid pandemic?

As we know, ISFC has gone through a transition process last year. So, the current pandemic has given us an opportunity to transform our business model. Of course, our business was impacted due to Covid and we have not done much disbursement last year. Our delinquencies, obviously, has been higher. But at the same time, ISFC is a well-capitalised company. In fact, our investors infused additional capital in June last year. So, as an organisation, we have improvised our operations during this time. On the school fees, parents didn't pay the fees for various reasons last year. We surveyed 2,500 of our partner schools and found out that schools were not receiving more than 20 per cent of the fees till November-December. However, most of our book is backed by collaterals. That's why most of our customers preferred to pay us installments in time. This put us in good stead. Also, the six-month loan moratorium period announced by the Reserve Bank of India helped. However, the delinquency percentage went up during the year. But one fact that comes out of the pandemic is that this segment is very cash-rich. That's what has started reflecting as fees collection has improved for most schools from January.

How big do you expect the book size will be by the end of FY21? Will there be any contraction in book size? Will growth come back in the next financial year?

We have restructured some of the accounts. But that is not big as compared to other financial institutions. We are even thinking of selling up some NPAs (non-performing assets) to ARCs (asset reconstruction companies) after restructuring the accounts. Once that is done, no NPA will sit on our books

We ended FY20 at a book size of Rs 389 crore. In the current financial year, we may see a contraction of around 15 per cent. In the coming financial year, we see a growth revival and our lending is likely to grow by around 50 per cent over the current fiscal year. In fact, we have already made plans of disbursing around Rs 300 crore. As an NBFC, we are in a very unique position with 2,500 unique customers.

As far as the delinquency rate is concerned, will you be able to give some numbers? How many accounts have turned standard in recent months?

I want to highlight the fact that ISFC is going through a complete transformation phase. I will call the earlier phase was ISFC Version 1 and the current phase as ISFC Version 2. Earlier, our model was transactional with customers. Also, our total loan book was based on our equity fund base along with debts raised on this base. Now in Version 2, we are transforming ourselves into a relationship and digital-based business model. To achieve this, we have worked on our products and are also building up a technology team.

Now coming to the question of restructuring, we have restructured some of the accounts. But that is not big as compared to other financial institutions. We are even thinking of selling up some NPAs (non-performing assets) to ARCs (asset reconstruction companies) after restructuring the accounts. Once that is done, no NPA will sit on our books. We are ready to take a one-time hit arising out of this during the Covid year, but this will clean up our balance sheet. That will make the company attractive for equity infusion from investors.

Will there be an opportunity for borrowing term loans from banks and larger NBFCs after the balance sheet is cleaned up?

The intention is to raise more term loans from financial institutions once the balance sheet is cleaned up. Also, we have partnered with other NBFCs such as InCred, U GRO for co-lending opportunities.

How big is the market opportunity in the school funding space? How do you view competition? Will consolidation happen in the NBFC space due to the pandemic?

The market opportunity is huge in the school funding space and India is a credit-starved country with most sectors not receiving adequate credit flow. Take for example the school education segment. There are around 2.5 lakh unaided schools in the country. If we serve even 10 per cent of these schools, then the opportunity is huge

The market opportunity is huge. I can say India is a credit-starved country with most sectors not receiving adequate credit flow. Take for example the school education segment. There are around 2.5 lakh unaided schools in the country. If we serve even 10 per cent of these schools, then the opportunity is huge. So, due to the pandemic, some consolidation will happen. However, there is a likelihood of more specialised players emerging due to this consolidation, which cater to specific segments.

Going ahead, digitisation and technology are going to be the main growth drivers for us. Through technological intervention, we will also tap the school fees loans market to parents and personal & other loans to teachers. So, the opportunity is huge.

Are you adequately funded now as far as capital adequacy is concerned?

Our capital adequacy ratio is around 45 per cent now, which is one of the reasons for our withstanding the pandemic despite disruption. Due to the strength of our capital base, we can clean up our balance sheet.

What are your hiring plans in the coming financial year? Have you done any rationalisation of the workforce due to the pandemic?

We have done a bit of rationalisation last year. However, with the revival of demand, we have started taking those people who left us. About 10 people have already joined us back. We also plan to hire around 100 people in the next six months, which is likely to take our headcount to about 250 employees.

SHAREit app bug can help hack your data

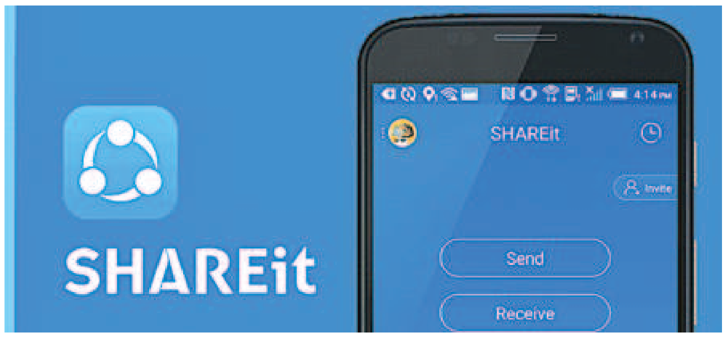
The bugs can be exploited to run malicious code on smartphones using SHAREit app

New Delhi

A bug in Android file sharing app SHAREit which has been downloaded over 1 billion times in Google Play Store contains several unpatched vulnerabilities that can be abused by hackers to leak sensitive data of its users.

The bugs can be exploited to run malicious code on smartphones where the SHAREit app is installed, according to a new report by cyber security firm Trend Micro.

Now banned in India, SHAREit was one of the most downloaded applications in 2019, which means millions of Indian users may also be at data leaking risk. "We discovered several vulnerabilities in the application named SHAREit. The vulnerabilities can be abused to leak a user's sensitive data and execute arbitrary code with SHAREit permissions by using a malicious code or app," said Echo Duan, a security researcher with Trend Micro.



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"They can also potentially lead to Remote Code Execution (RCE). In the past, vulnerabilities that can be used to download and steal files from users' devices have also been associated with the app," he said in a statement late on Monday. While the app allows the transfer and download of various file types, such as Android Package (APK), the vulnerabilities related to these features are most likely unintended flaws.

The security researchers have reported these vulnerabilities to the vendor, who has not responded yet.

"We decided to disclose our research three months after reporting this since many users might be affected by this attack because the attacker can steal sensitive data and do anything with the apps' permission. It is also not easily detectable," Trend Micro elaborated.

SHAREit was part of the first lot of 59 Chinese apps that were temporarily banned in India in June last year. In January, the Union Government decided to permanently ban those 59 Chinese mobile applications.

"Security should be a top consideration for app developers, enterprises, and users alike. For safe mobile app use, we recommend regularly updating and patching mobile operating systems and the app themselves," Trend Micro said.

Nothing Tech acquires Essential

New Delhi

NOTHING Technologies, the newly-launched venture of OnePlus co-founder Carl Pei, has acquired smartphone brand Essential that shut shop last year, the media reported on Tuesday.

According to a report in 9to5Google, the Essential brand which was launched by Android co-founder Andy Rubin but did not succeed and the company was closed last year, is now officially owned by Pei's Nothing Technologies.

Recent filings at the UK Intellectual Property Office show that Rubin has signed over ownership of his one-time smartphone brand Essential to Pei's Nothing Technologies Limited. This process was completed as of January 6, 2021, with the application being made as early as November 11, 2020, the report said.

It means that all existing trademarks, logo, and the entire Essential brand are now the intellectual property of Pei's Alphabet-invested startup. Nothing aims to expand its operations in Europe with headquarters in London and release its first smart device, likely to be a hearable one, in the first half of this year.

Last week, the consumer technology company announced it has raised $15 million in a Series A round led by GV (formerly Google Ventures), a venture capital investment arm of Alphabet which is the parent company of Google.

London-based Nothing has so far raised over $22 million. In December, the company raised $7 million in seed financing in December that included tech leaders and investors such as Tony Fadell, Casey Neistat, Kevin Lin, Steve Huffman and Josh Buckley.

Google fined $1.3mn over misleading ratings for hotels

London

A French watchdog has slapped a 1.1 million euros ($1.3 million) fine on Google over misleading star ratings for hotels on its search engine in France. Google has agreed to pay the fine, according to the Directorate General for Competition, Consumption and the Repression of Fraud (DGCCRF).

"An investigation by the DGCCRF, initiated in 2019, demonstrated the misleading nature of the ranking of hotels by Google, in particular on its search engine," the watchdog said in a statement late on Monday.

The tech giant applies its own algorithmic system of ratings for hotels applied via Search and Google Maps. The DGCCRF probe revealed that the tech giant had replaced the standard classification system of the public tourist board with a star rating system powered by its own criteria.

Google applied the new system to more than 7,500 establishments, reports TechCrunch. A Google spokesperson said that they have now settled with the DGCCRF and "made the necessary changes to only reflect the official French star rating for hotels on Google Maps and Search".

According to the French watchdog, the practice was particularly damaging for consumers who were "misled about the level of services what they could expect when booking accommodation".

"The companies Google Ireland Ltd and Google France corrected their practices and, after the agreement of the public prosecutor of Paris, agreed to pay a fine of 1.1 million euros as part of a criminal transaction," the DGCCRF informed.

TATA COMM JOINS GOOGLE CLOUD, TO TRANSFORM COS

New Delhi

DIGITAL ecosystem enabler Tata Communications on Tuesday announced a partnership with Google Cloud to drive cloud adoption and transform businesses in the country.

The partnership will enable organisations to deploy and access Google Cloud services through Tata Communications' IZO Managed Cloud, expanding their managed Public Cloud services portfolio.

As organisations migrate to Google Cloud, they need a partner that will support them across their entire IT ecosystem and deliver a unified cloud management platform that offers greater transparency, control and security of their data and applications, said Rajesh Awasthi, Global Head of Cloud and Managed Hosting Services at Tata Communications. As a Google Cloud India Partner, Tata Communications will support organisations with services across infrastructure modernisation, data centre transformation, application modernisation, smart analytics, multi-cloud deployments and more.

Through our partnership with Tata Communications, we will be able to provide our customers with a unified, end-to-end experience that will remove the complexity in cloud management and help them transform at speed and scale, said Amitabh Jacob, Head of Partners and Alliances at Google Cloud India.

Tata Communications IZO Managed Cloud provides a comprehensive view of IT resource utilisation (across on-premise, private, Google Cloud), thus enabling greater control for the customer, resulting in cost efficiencies and improved productivity.

According to a recent IDC survey, more than 60 per cent of Indian organisations plan to leverage cloud platforms for digital innovation, as they re-strategise their IT spending plans.

The current demands on enterprises to manage and optimise their cloud solutions has never been more important, especially in the wake of Covid-19 and our increasing reliance on cloud infrastructure, Awasthi said.

Apple watch OS update to fix charging glitches

San Francisco

APPLE has released watchOS 7.3.1 update with a big fix for those using an Apple Watch Series 5 or Apple Watch SE related to Power Reserve.

"WatchOS 7.3.1 addresses an issue that prevented some Apple Watch Series 5 and Apple Watch SE devices from charging after entering Power Reserve," the company said in an update on Monday. The watchOS 7.3.1 update can be downloaded for free through the dedicated Apple Watch app on the iPhone via the Software Update option.

To install the new software, the Apple Watch needs to have at least 50 per cent battery, it needs to be placed on a charger, and it needs to be in the range of the iPhone.

Apple's previous update, watchOS 7.3, was released on January 26. The updates include the Unity watch face, Time to Walk for Apple Fitness + subscribers, an update to the EKG app and irregular heart rhythm notifications in select countries, and a fix for a Control Center issue. Recently, Apple noted that some Apple Watch Series 5 and SE models running watchOS 7.2 or 7.3 have been stubbornly refusing to charge after being put in Power Reserve mode. Users affected by this issue can now contact Apple Support and organise to mail their Watch to an Apple Repair Centre for a free fix.

Social media app Parler returns online

San Francisco

CONSERVATIVE social media app Parler that was forced to go offline in the wake of encouraging violence during the Capitol chaos in the US, is now back online. The company said on Monday that it is now accessible for users with existing accounts and will accept new signups starting next week.

Parler, that fired its CEO and co-founder John Matze, has announced a new interim CEO, Mark Meckler, who previously co-founded the right-wing group Tea Party Patriots. The company said that its platform has now been relaunched with a "robust, sustainable, independent technology." Amazon Web Services' (AWS) in January decided to shut down Parler. Amazon had said it was "troubled" by repeated policy violations by Parler and it "cannot provide services to a customer that is unable to effectively identify and remove content that encourages or incites violence against others." Google and Apple removed Parler from their respective app stores after they found that Parler did not take stronger action to remove posts that sought "to incite ongoing violence" in the US.