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Bengaluru - Chennai - Coimbatore - Hubballi - Hyderabad Kochi - Kolkata - Madurai - Malappuram - Mangaluru Mumbai - Noida - Thiruvananthapuram - Tiruchirapalli Tirupati - Vijayawada - Visakhapatnam

65500

SENSEX 64571.88 (-1595.05)

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65970

	Week's close	Week's chang
Nifty 50	19281.75	-450.00
P/E Ratio (Sensex)	22.78	-1.43
US Dollar (in ₹)	83.19	-0.09
Gold Std 10 gm (in	₹) 60455.00	+1570
Silver 1 kg (in ₹)	72094.00	+1215



segment looked the most vul-

nerable at the moment and

was the only segment where

the lender has taken "correct-

ive action" based on the

bounce and slippage rates and

tinue its policy of completely

providing for unsecured retail

loans that are 180 dpd (days

past due), RBL Bank said it has accelerated risk mitigation by

fully providing for such loans

at 120 dpd. This led to the

bank providing ₹48 crore more, in addition to which it

also made contingent provi-

sions of ₹252 crore on its mi-

crofinance and credit card

Yes Bank said it has

strengthened underwriting

and is strategically going

slower in certain retail seg-

ments such as unsecured

loans, given the increasing

trend of delinquencies, espe-

In the October policy, the

RBI had asked lenders to

strengthen their internal risk

mechanisms as the "first line

of defence" to avoid any future

challenges, adding that robust

management

stronger underwriting stand-

ards are the "need of the

cially in the 30 dpd segment.

portfolios.

hour".

While Kotak Bank will con-

portfolio efficiency.

TWIN TARGETS.

India and UK are working towards
ensuring that free trade agreement and
bilateral treaty are concluded in one go p3

FINMIN REPORT.

Purchase of houses and vehicles has boosted investment by the household sector **p10**

QUICKLY.

IN SLOWING LANE

Mini car segment goes off track with sales down 41%



New Delhi: The mini car segment, comprising Maruti Suzuki's Alto and S-Presso and Renault's Kwid, has fallen drastically on year-on-year basis in domestic sales (dispatches to dealers) in the April-September period. In the last six months, domestic sale of the mini segment declined 41 per cent y-o-y to 78,170 units, compared to 1,32,236 units in April-September 2022. p2

REVISION LIKELY Centre may lower basmati rice MEP to \$950/tonne

Chennai: The government has agreed to lower the minimum export price (MEP) for basmati rice shipments to \$950 a tonne from \$1,200 fixed on August 25, official sources said. p8





RBI sees red as MFI lending rates show no sign of easing

Mumbai There hasn't been any cooling offin lending rates to microfinance borrowers and this has caught the attention of the Re-

Hamsini Karthik

serve Bank of India.

Highly placed sources say that the regulator is unhappy with the pricing offered by MFI lenders, including banks and non-banks, catering to borrowers in the microfinance

"What's prevailing now goes against the intent of the March 2022 guidelines, which overhauled several practices of the MFI business, including lifting the 10 per cent cap in pricing. This was aimed at reducing borrowing rates for MFI customers, but the situation on the ground is different," said a highly placed source aware of the matter.

Market sources say that lending rates to MFI borrowers may have increased to a five-year high of 24.7 per cent

since May 2022. This is an around 200 basis points increase in the pricing level on a year-on-year basis. "While a part of this increase is on account of repo rate hikes, because most NBFCs borrow from banks to protect yields and shore up the buffer for contingencies, lenders have jacked up their rates in the past year," said the CEO of an

GRADED PRICING, ANYONE?

- Lending rates may have risen to a 5-year high of 24.7% since May
- This is ~200 bps increase in pricing on a year-on-year basis
- RBI insists that lenders must



adopt a graded mechanism; different categories of borrowers should be offered different pricing

NBFC-MFI. With non-banks lending to the segment not lowering their rates, banks, too, haven't been proactive in bringing down the interest rate to this segment of borrowers.

CASCADING EFFECT

While banks have also seen an increase in cost of funds, though not as significant as non-banks, they are faced with the challenge of competitive

"When one of the major non-banks lends at a certain rate, banks cannot lend at a rate which is different from what non-banks offer. If we do so, that would have another kind of implication, which would be more difficult to handle. Also, once lending rates fall, this is a segment that we cannot reprice upwards so easily; it sets a new benchmark," said the CEO of a bank operating in the MFI segment.

These justifications barely cut the ice with the regulator. Consequently, the RBI insists that lending to the MFI segment, whether banks or nonbanks, should follow a graded pricing mechanism. What this implies is that different categories of borrowers should be offered different pricing.

Those who are new to credit (NTC) could probably be offered loans at the highest rate, while those new to the lender can be offered a rate which is a shade below NTC. Likewise, seasoned customers of the lender should also be offered different pricing. "A customer who is at the fifth or the sixth cycle with the lender should not be charged the same as what a customer in the first or the second cycle would

It is perceived that as more lenders adopt this pricing strategy, borrowing rates could ease by 200-300 bps, provided cost of funds does not escalate from hereon.

pay," said the CEO of an

NBFC-MFI.

Lenders flag risks in small ticket loans post RBI caution

ON GUARD. ICICI, Kotak, Bajaj Fin, Yes Bank have taken corrective action to mitigate risk

Anshika Kayastha

A fortnight after the RBI cautioned banks against the unprecedented growth in unsecured retail loans and asked them to grow "sensibly", large banks and NBFCs have flagged increased risks and delinquencies in some smallticket segments.

As a part of Q2 earnings, ICICI Bank highlighted that market trends and research indicate risk buildup and higher defaults in lower ticket loans, especially below ₹50,000 where affordability and repayment ability are constraints.

Kotak Bank, too, acknowledged headwinds and higher delinquencies in certain unsecured segments, especially smaller ticket loans, but interim MD Dipak Gupta said the risk-adjusted returns are still "okav".

Lenders are continuously monitoring these portfolios and haven't reached a point of putting the brakes or panicking, he said, adding that while the rate of default is higher than last year, it continues to be below pre-Covid levels.

Bajaj Finance, the largest



and the company has cut exposure to borrowers with multiple lines of credit of less than ₹50,000 as it reflects imprudence.

PERSONAL LOANS UP

Personal loans, including credit cards, grew to 10.7 crore in FY23 from 7 crore in FY22 and 4.5 crore in FY20, led by the less than ₹50,000 and above ₹8 lakh segments, as per an internal analysis by Bajaj Finance. Industry AUM for the segment rose to ₹13.5lakh crore in FY23 from ₹7.5lakh crore in FY20.

Unsecured retail loans accounted for a significant portion of lenders' fresh slippages in Q2 FY24. However, most lenders dismissed any marked concerns given the smaller share of these loans in the total book and the steady rate of collections and recoveries.

A recent SBI report said unsecured retail loans account for one-tenth of banks' total loans, indicating contained risk at the time. Small-ticket personal loans of below ₹50,000 accounted for 2 per cent of banks' overall personal loans and 0.3 per cent of retail loans as of FY23, according to CIBIL CMI data.

CORRECTIVE ACTION

Bajaj Finance has reduced exposure to urban unsecured retail loans by 8 per cent and rural loans by 14 per cent. MD Rajeev Jain said the rural B2C

Indian economy set to surpass Japan, Germany by 2030: S&P

Global Market

With expanding consumer market and a large industrial sector, the Indian economy is set to surpass Japan and Germany by 2030, S&P Global Market Intelligence has said in its latest commentary.

In 2023-24, India is ranked fifth in terms of the size of its economyat \$3.7 trillion.

"India's nominal GDP meas $ured in USD \, terms \, is \, for ecast \, to \,$ rise from \$3.5 trillion in 2022 to \$7.3 trillion by 2030. This rapid pace of economic expansion would result in the size of the Indian GDP exceeding Japanese GDP by 2030, making India the second largest economy in the Asia-Pacific region," the agency said in its economics commentary authored by Raijy Biswas, Asia Pacific Chief Economist with S&P Global Market Intelligence. By 2030, India's GDP is also forecast to surpass Germany, the report added. China is the largest economy in Asia.

IN EXPANSION MODE

Further, the agency while noting rapid economic growth in 2021 and 2022, said sustained economic growth was being seen in the current calendar year (2023) The near-term outlook was for continued rapid expansion during the remainder of 2023 and for 2024, underpinned by strong growth in domestic demand, it said. It also said that by 2030, 1.1

billion Indians will have internet access, more than double from the estimated 500 million internet users in 2020.

The agency listed many growth drivers supporting long-term outlook.

"The rapidly growing Indian domestic consumer market as well as its large industrial sector have made India an increasingly important investment destination for a wide range of multinationals in many sectors, including manufacturing, infrastructure and services," it



JUMBO SAVARI. Caparisoned elephant Abhimanyu carries the 750-kg golden 'howdah' with the idol of Goddess Chamundeshwari in a procession on the final day of the 10-day Dusshera festivities in Mysuru on Tuesday SRIRAM MA

Benchmark 10-year G-Sec yield may harden to 7.5%

Oct 24

—10-vear

Sept 25

crore) that was released due to

the expiry of a \$5-billion USD/

INR sell-buy swap on October

for the yield spread between

the Indian 10-year G-Sec and

US 10-year Treasury to widen

between India and US govern-

ment bonds to normalise from

the current levels as India rates

start to surge in the near term,

given unfavourable dynamics,"

"We expect the yield spread

to attract forex inflows.

They emphasised the need

2023

K Ram Kumar

The yield of the Indian 10-year benchmark Government Security (G-Sec) could harden to about 7.5 per cent, tracking the rise in US Treasury yields, which are reacting to expectations of heavy bond supply due to a jump in the fiscal deficit, continuing price pressures, and the probability of the economy clocking strong growth

The 10-year G-Sec (7.18 per cent GS2033) on Monday had closed at 7.3769 per cent yield, up about 16 basis points in the wake of the monetary policy committee keeping the policy repo rate unchanged at 6.5 per cent at its October 6 meeting.

'UNDER PRESSURE'

in the third quarter.

Market players expect Indian G-Secs to be under pressure due to developments in the US, rise in crude oil prices and the possibility of the RBI conducting open market operations (OMO) sales of G-Secs to suck out liquidity (about ₹42,000 Widening spread ment's Fixed Income market experts Aditya Gore, Ajay Mar-— 10-vear US Treasury waha and Payal Shah. yield (%) (RHS)

They cautioned that participants in the India bond market seem to be undermining risks around a sharp surge in US Treasury yields, with a false sense of comfort likely to stay until the central bank announces the OMO sales auction. Nuvama's experts observed that the spread between the 10-year US government bond and its Indian counterpart has been hovering around 400-500 bps historically.

said Nuvama Wealth Manage-

However, since H2 (October-March) FY23, this spread has begun to narrow on account of a sharp jump in US Treasury yields. The yield spread between the two geographies narrowed to just 243 bps (on an unhedged basis) in early October as a significant rise in Treasury yields did not translate to a similar reaction in India.

The 10-year US Treasury yield had breached the 5 per cent mark on October 23 before cooling off to 4.83 per

cent. The yield spread between the 10-year benchmark papers of the two countries is now at around 252 bps. Gore, Marwaha and Shah said that India's supply-demand dynamics is relatively more favourable than in the US, which is capping upside on rates. In addition, inflation readings have been coming in softer than expected, with trends in core CPI inflation also indicating disinflationary trends ahead.

Kotak Mahindra Bank's Economic Research team, comprising Upasna Bhardwaj, Suvodeep Rakshit, and Anurag Balajee, underscored that robust economic data, an upward surprise to the inflation readings, along with heavy bond supply in the US, continue to push US yields higher . Elevated crude oil prices continue to keep markets jittery.

"Domestically, while bond supply remains comfortable, the fear of OMO sales continues to weigh on market sentiments....We retain our expectation of a 10-year yield range of 7.25-7.50 per cent in the near term," they said.

ND-NDE

Cover drives to driving cars

Opener nonpareil Matthew Hayden is passionate about driving and loves to go off-road

S Muralidhar

The fedora hat emerges out of the Mahindra Thar first followed by his thickset, muscular, 6-foot plus frame. Chennai city is no stranger to Matthew Hayden, and yet it is quite the sight to see him emerge like he's some sort of cross-border envoy dressed in slacks and a 'Ujala' white dhoti.

The Aussie cricketing icon

has more than 15,000 runs under his belt, scored during an international cricketing career that spanned 15 years. And the erstwhile Chennai Super Kings opener is much loved in this cricket-crazy city, and "also vice-versa" clarifies Matthew. But cricket wasn't going to

be the topic of discussion over a cup of coffee. I was there to talk about cars, driving holidays and off-roading, a littleknown passion of Matthew 'Haydos' Hayden.

"So, I've been driving a long time. I'm now 52, but always had a heart and eye for quality adventure and an outdoorsy way of life, which is what kind of a lifestyle it is in Australia. So, vehicles just kind of match the hatch and I've had great experiences with off-roaders."

ENRICHING EXPERIENCE

When did he start getting behind the wheel? "I grew up in a very small town in Queensland Australia called Kingaroy, so the very first thing I drove was a tiny little greenfield Mower deck at eight and that scaled into vehicles, heavyduty tractors, trucks etc." Australia is a vast continent and driving across the geography takes time and effort, says Matthew.

"But spending time with family while driving can be an enriching experience. A road trip gives you an opportunity as a family to talk. Gives you an opportunity to sort of get off and have shared experiences. And that can be every four or five hours, like we did the other day in Dharamshala;





interview stop at a Dhaba or get some street chai or call in and see someone. That's the great advantage of slower paced travel".

Scan for

full video

As someone who is constantly flying to the next cricket match, Matthew is bored of air travel. He'd much rather drive; "you fly from one exotic destination to the other, but you see nothing, whereas a road trip you actually see everything, you feel everything, and you get really intimately involved in what's outside your car."

He is a spokesperson and ambassador for Mahindra. So, like he would let go of a dot ball wide off the stumps, he ignores my question about the brand of pickup trucks he owns. And instead says "I have a fleet of cars. I have a Mahindra XUV 700 and a Scorpio-N back in Australia and I have two other pickups. These are myvehicles that I've just flogged. Basically, they're unbreakable cars. They've earned a special place not only in my heart, but in the regional hearts Australians."

STEADY DRIVER

Widely considered one of the best openers in test and IPL format cricket, Matthew Hayden would strike terror in the minds of bowlers. Is he as fearless behind the wheel? Does he like driving on the edge? "No, I'm not that person. I'm an opening batsman. And as Sunny Gavaskar would say, we play the wicket. That's how we operate. I'm a sure steady driver. Off-roading is probably one of my great passions. I live on a beautiful remote community called North Stradbroke Island. It has 50 km of beach. So, my vehicle is very much tailor-made towards that as an environment. Car enthusiasts that like off-roading would know sand is one of the hardest mediums for vehicles to handle."

Has Matthew tried driving in India? "I have driven in India. I've got one rule and that is you just look after what's happening in front of you and then the rest is not your fault" (laughs). "But you know the awesome thing about Australia and India is that we drive on the same side of the road. Thank goodness for the Brits!" Matthew has a packed cal-

endar as an official commentator, but what is he doing during his spare time? "I love cooking and have written three cookbooks. I've also written a movie script which is currently being produced for worldwide release." A selfconfessed Indophile, Matthew says he can cook at least six Indian dishes restaurantstyle. For this ex-IPL superstar, that sixer didn't come off the middle of his famous mon-

MAJESTIC MARCH



New Delhi: Pharmaceutical ingredients-maker Blue Jet Healthcare announced that it has mobilised ₹252 crore from anchor investors ahead of its IPO. The company has allotted 72.85 lakh equity shares to 22 funds at ₹346 apiece, which is also the upper end of the price band, according to a circular uploaded on the BSE website late night on Monday. Government Pension Fund Global, BNP Paribas Arbitrage, Societe Generale, Integrated Core Strategies (Asia) Pte Ltd, Aditya Birla Sun Life Insurance Company, ICICI Prudential Mutual Fund (MF), HDFC MF, Nippon India MF, Edelweiss MF, and Bandhan MF are among the anchor investors. PTI

US Justice Department expanding probe: Tesla



Detroit: Federal prosecutors have expanded investigations into Tesla beyond the electric vehicle maker's partially automated driving systems, and they have issued subpoenas for information instead of simply requesting it, the company disclosed on Monday.

In a quarterly report filed with the Securities and Exchange Commission, Tesla said the Department of Justice is looking into "personal benefits, related parties, vehicle range and personnel decisions" without giving the details. AP

Mini car segment goes off track with sales down 41%

TREND CONTINUES. Sale of compact SUVs grows in H1 due to good demand

S Ronendra Singh

The mini car segment, comprising Maruti Suzuki's Alto and S-Presso and Renault's Kwid, has fallen drastically on year-on-year (y-o-y) basis in domestic sales (dispatches to dealers) in the April-September period.

On the other hand, sale of compact sports utility vehicle (SUV) has grown as the trend and demand for SUVs continue. For instance, the sale of compact SUVs grew 18 per cent y-o-y to 5,93,230 units in the first half of this year, compared to 5,03,585 units in the April-September period last

In the last six months, domestic sale of the mini segment declined 41 per cent y-o-y to 78,170 units, compared to 1,32,236 units in April-September 2022. In the April-September period, Maruti Suzuki India (MSIL) sold 72,550 units, com-



POOR SHOW. In April-September, Maruti Suzuki India sold 72,550 units, compared to 1,21,056 units last year

pared to 1,21,056 units in the corresponding period last year. Renault India sold only 5,620 units against 11,180 units in April-September 2022.

According to the latest data by the Society of Indian Automobile Manufacturers (SIAM), in monthly sales, too, MSIL sold 10,351 units in September, which is a decline of 65 per cent y-o-y, compared to 29,574 units

cent. The smaller hatch has seen a greater decline due to the discontinuation of the Alto 800, which had a substantial volume last year. "Also, the industry has seen

per cent, and vans by two per

inventory correction in the small car segment; with the semiconductor situation easing, original equipment manufacturers (OEMs) have been able to ramp up the production of larger cars," Shashank Srivastava, Senior Executive Officer, Marketing and Sales, MSIL, told businessline.

COMPACT SUVS

In the compact SUV segment, PV market leader MSIL sold the highest number of units at 1,58,009, followed by Tata Motors at 1,51,601 units and Mahindra & Mahindra at 1,18,035. Hyundai Motor India's Exter also saw growth in the compact SUV segment at 88,452 units in H1 this year, compared to 61,286 units in H1

Coca-Cola records double-digit growth in topline

Meenakshi Verma Ambwani New Delhi

Beverage major Coca-Cola said on Tuesday that its India business witnessed doubledigit volume and topline growth in the third quarter, leading to an increase in value share in the market. It added that it is ramping up the availability of its products in the rural region.

The company, which released its global earnings for the third quarter, added that growth in developing and emerging markets was led by India and the Philippines.

On an earnings call, James



Quincey, Chairman and CEO of Coca-Cola Company, said: "In India, we delivered double-digit volume and topline growth, which resulted in the highest value share gains over the past three years. We are winning in the

marketplace by generating 2.6 billion transactions at affordable price points and driving availability across rural regions."

in the same month last year.

Sale of Kwid by Renault In-

dia also declined by around 63

per cent y-o-y to 747 units dur-

ing last month, against 2,001

ments of passenger vehicles

(PV) declined, except SUV and

multi-purpose vehicle (MPV).

Hatchback segment declined 9

per cent y-o-y, sedans by three

"In the first half, all seg-

units in September 2022.

The beverage major noted that consumer sentiment varies around the world, and has been mixed in developing and emerging markets. "We are seeing...broadly consumer strength across Latin America, India, and in parts of Central and South-East Asia," the company's management noted.

UNIT CASE VOLUME

In its earnings statements, the beverage major said its consolidated

volume grew 2 per cent in the third quarter.

Talking about the performance in the Asia-Pacific region, the company said: "Unit case volume was even, as growth in trademark Coca-Cola and other beverage categories was offset by a decline in water. Growth in India and the Philippines was offset by decline in China and Indonesia."

In terms of companyowned bottling operation (botting investments group), the beverage major said unit case volume grew 2 per cent, primarily driven by growth in India and the Philippines.

+ Viveks aiming for 15-20% growth this fiscal

TE Raja Simhan

Viveks, a household name in Tamil Nadu's consumer durable sector, is aiming at 15-20 per cent growth in the current fiscal, according to Chairman and Managing Director BA Kodandarama Setty. Last fiscal, Viveks reported a revenue of ₹250

"The buying sentiments among consumers have increased significantly in the last six months. We hope to have a good festive season," he told businessline.

Now, consumers' purchasing power has increased. In the olden days, there was only one earning member in the family. Today, every member of the family is an earning member, and living standards have increased substantially, said

Consumers are upgrading

L'Oreal India FY23 net

profit up 17% at ₹488 cr



BA Kodandarama Setty (right), CMD, Viveks; and BS Vishal, VP- Marketing, E-Commerce BLIOY GHOSH

their requirements across all segments, including homes, automobiles, electronic gadgets and consumer durables. For Viveks, the largest selling products are home appliances (mainly air conditioners), consumer dur-ables and kitchen items, he added.

Founded in 1965 by BA Lakshmi Narayana Setty, Viveks today has 23 showrooms spread across six cities - Chennai, Madurai, Rajapalayam, Tiruchirappalli,

Salem, and Karaikudi - with nearly two lakh sq.ft. of retail space and strong workforce of over 500 employees.

ASP RISES BS Vishal, Vice-President, Marketing, E-Commerce, said post Covid the average selling price (ASP) has increased as customers want to buy quality products and are looking at longevity. Gone are the days of customers buying Chinese products at a lower cost. The ASP has

increased to nearly ₹25,000 from ₹18,000 to ₹19,000 before Covid. Every individual has a mobile phone; every room in a house has a television with the washing machine and refrigerator being the only common thing in the house, said Vishal.

Consumers are not keen to buy a television for two or three years, but for a longer duration with the latest features. It is like buying a car where consumers prefer a vehicle with all the features by spending extra cash, he

Consumers do their homework, and want to see the product before buying. For example, the average size of the washing machine used to be 5.5 kg or 6.5 kg, but today people prefer 7.5 kg and 8.5 kg. Similarly, in television, the average size is now 55 inches or 65 inches, while earlier it was 34 inches or 45 inches.

"We are also changing our

strategy accordingly to meet the demands of all categories of consumers.

"If a consumer wants a steel rice cooker at ₹800, we have it. If someone wants a rice cooker at ₹2,000 also we have it. If someone wants Insta pot rice cooker at ₹15,000, we have that, too," he said.

STORE RELAUNCH

The relaunched flagship store of Viveks is the company's strategy to cater to all segments of society. The store is specially designed in a geometric pattern with stylish and bright black and white interiors. This is aimed at providing live product experience, including the largest range of products and largest range of premium appliances, said

This is a pilot project, and depending on the response, the company will upgrade other stores, he added.

CeraVe.

The Indian beauty and personal care industry is estimated to grow to \$30 billion by 2027, with a CAGR of 10 per cent, according to a joint report released by Redseer and

The competition watchdog had, in November 2020, ordered an investigation into ONGC's allegation of cartelisation against the bidders (which included Dalmia Cement) in the tenders floated for the purchase of Oil

ONGC had invited bids for purchasing OWC for consignees located at different locations between 2013 and 2018. However, according to the complaint filed by ONGC before the CCI, Shree Digvijay Cement, Dalmia Cement and India Cements acted in concert and quoted either identical rates or cosmetically different rates and allocated the market among themselves, in contravention of Section 3 of the Competition Act, 2002, which forbids anti-competitive agreements, including cartelisation and bid rigging.

PRICE PARALLELISM

The probe was challenged by Dalmia Cement by filing a writ petition before Gauhati High Court by contending that the CCI did not appreciate the fact that there were only a handful of suppliers of OWC in India, and a mere price parallelism cannot be grounds to record a prima facie satisfaction to refer the matter

It also argued that the investigation arm of the CCI transgressed the investigation order and conducted a roving and fishing inquiry, and Dalima Cement was also not provided with vital

documents. A single judge of Guahati High Court in June this year dismissed the plea filed by Dalmia Cement against which it preferred an appeal before the Division Bench, which dismissed the appeal on Friday holding the same as 'bereft of merits'.

appellant.

At this juncture, it cannot be held that the respondent No 3 (DG CCI) has gone beyond the scope of the impugned order dated November 18, 2020, and has conducted a roving and fishing enquiry, observed the High Court while dismissing the

Franchise movies draw viewers in a blockbuster September quarter

AJ Vinayak Mangaluru

DATA FOCUS.

The third quarter of 2023 seems to be the season of franchise-based movies for the film industry. Some among them have managed to hit the jackpot,too.

At least four franchisebased movies were released in Indian languages during the July-September quarter of 2023. The Sunny Deol, Ameesha Patel-starrer Gadar: Ek Prem Katha, released in June 2001, set the box office on fire. Twenty two years later, the sequel in Gadar franchise, crossed₹600 crore in gross box office collection (GBOC).

Oh My God, a movie starring Akshay Kumar and Paresh Rawal, was released on September 28, 2012, and almost 11 years after that the second movie in the franchise was released on August 11, 2023. Oh My God 2's GBOC crossed₹160 crore.

Dream Girl, a movie starring Ayushmann Khurrana, was released on September 13, 2019, and almost four years after that, Dream Girl 2 was released on August 25, 2023. This franchise-based movie also crossed ₹110 crore in GBOC.

Carry on Jatta 3, a Punjabi franchise-based movie, was one of the regional movies to record a splendid performance with GBOC crossing ₹44 crore.

The third quarter of the calendar year seems to have proved to be a goldmine for the Indian movie industry. In fact, these four franchise-based movies, contributed nearly 25 per cent to the total GBOC of the movie industry during the quarter.

Interestingly, two of the franchise-based movies -Gadar-2 and Oh My God 2 were released on the same day on August 11. Such simultaneous movie releases starring some major superstars did not impact the business of each

In a joint statement, Producers' Guild of India and Multiplex Association of India, said August 11-13 was the busiest single weekend. Nearly 2.1 crore people across the country watched movies during the weekend, which is the highest combined admissions record in the last one decade. Both the Producers' Guild

ation of India, said the weekend registered combined GBOC of ₹390 crore across India during the weekend. Some

1,610 1,500 1,353 932

Franchise-based movies

Hindi

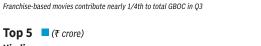
393.7

Stunning performance

India Gross Box Office Collection

★ Gadar 2 ★ Oh My God 2 🖈 Dream Girl 2

★Carry On Jatta 3



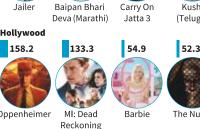




23.4

Meg 2:





Busiest weekend: August 11 to 13



Source: Ormax Media's India Box Office Report for September, PVR INOX's

of the major releases during weekend included Gadar-2, Oh My God 2, and the Rajinikanth starer Jailer.

REGIONAL FILMS Jailer dominated the regional

language market in the third quarter. According to the data available in the investor presentation of PVR INOX, Jailer's India GBOC was at ₹393.7 crore Other movies from South India, Kushi, and Bro (both in Telugu), reached a GBOC of ₹78.1 crore and ₹92.2 crore, respectively, during the

The Marathi movie Baipan Bhari Deva touched a GBOC of ₹90.7 crore, and Punjabi film Carry On Jatta 3 touched ₹44.3 crore. The top five movies from regional languages contributed nearly 18 per cent to the total GBOC of movies released during July-September of 2023.

According to Ormax Media's India Box Office Report for September, the GBOC of Indian movies stood at ₹932 crore, ₹1,610 crore, and ₹1,353 crore in July, August and September, respectively.

HOLLYWOOD

Two of the Hollywood movies crossed ₹130 crore in Indian

Oppenheimer's GBOC was around ₹158 crore, and for Mission Impossible: Dead Reckoning Part 1, it was ₹133 crore.

Meril pushes ahead with growth strategy for medical devices in India and overseas

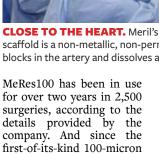
PT Jyothi Datta

Indian medical devices maker Meril created ripples in national discussions on cardiac stents and their pricing when it developed and launched a locally made bio-absorbable stent.

The Vapi-based company is now pushing ahead with a growth strategy that involves improving access to its products, down to the district level, even as it strengthens its presence overseas, Meril Chief Executive Officer, Vivek Shah, told businessline. And these plans will be supported by a scale-up in manufacturing and hiring, he added.

Meril's 100-micron bioresorbable scaffold (BRS) is a non-metallic, non-permanent mesh that removes blocks in the artery and dissolves a few years later. And its local launch (early 2021) created a stir of sorts, coming just years after multinational Abbott had announced its decision to withdraw two of its stents, including Absorb, a dissolvable stent (2017).

In fact, all of this had played out against the backdrop of a national discussion on cardiac stents, that lead to bare-metal and drug-eluting stents being brought under the government's price control (stents are wire-like meshes, inserted to remove blocks, largely in the heart). Meril's bio-absorbable product



Besides cardiac products, Meril's portfolio also includes orthopedic implants (joint and hip replacement products), and endo-surgery (sutures, staplers) products, to name a few.

BRS was an innovation, it

did not come under price

control, said the CEO. It is

priced at about ₹1 lakh, he

Early last year, Warburg Pincus (through affiliate South Elm Investments BV), had agreed to invest \$210 million for a minority stake in Micro Life Sciences Private Ltd (a parent organisation of Meril), the investor had then said.

GROWTH PLANS

Having spent time building confidence in the company's innovative products in the medical community, Shah says the next five years will be a period of growth. Manufacturing will be scaled up at Vapi, and the overall headcount is also expected to increase, he

added. The ₹2,400-crore Meril, established by Bilakhia Group, was set up in 2006. Meril expects to add another 10 subsidiaries overseas by mid-2024, taking the total to 35, said the CEO.

It is also looking to set up more academies across the world, where professionals are exposed to medical technologies and can get acquainted with products, he added.

businessline.

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L'Oreal India Pvt Ltd posted a tion story. net profit of ₹488.35 crore in FY23, according to the financial data accessed by business

Meenakshi Verma Ambwani

New Delhi

higher than the ₹418.15 crore posted in FY 22. Total revenues stood at ₹4,993.62 crore in FY23, up

intelligence platform Tofler.

This was 16.78 per cent

32.77 per cent over FY22. In an interaction with businessline in September, Aseem Kaushik, Managing Director, L'Oreal India, said the company aims to grow at least "two times the speed of the market".

He added that it aims to get to €1 billion in the next threefive years, on the back of growing disposable income and per capita spends on beauty products. The company, known for brands such as L'Oreal Paris, Garnier, Maybelline New-York, and NYX **KR Srivats** Professional Makeup, said it is bullish on the India consump-

CONSUMER PORTFOLIO L'Oreal has had a presence in India for close to three decades now, and is among the top two players in the category. Its consumer portfolio, which includes brands such as L'Oreal Paris and Garnier, is sold through 10 lakh outlets, while its professional portfolio is used at over 50,000 salons.

The company recently launched its L'Oreal Dermatological Beauty division in India. This has been spearheaded with the launch of

Setback to Dalmia Cement as Gauhati High Court declines to stay CCI probe

Dalmia Cement suffered a setback on Friday as a Division Bench of the Gauhati High Court, comprising its Chief Justice Sandeep Mehta and Justice Susmita Phukan Khaund, declined to stay a probe ordered by the Competition Commission of India (CCI) in November

Well Cement (OWC).

for investigation.

"It does not appear that the

CCI had conducted a roving and fishing enquiry and has transgressed its jurisdiction. A scrutiny of the notice reflects the nature of the investigation ordered by the CCI. The format of the notice, however, reflects that to cause the investigation certain information has been solicited by the CCI from the



scaffold is a non-metallic, non-permanent mesh that removes blocks in the artery and dissolves a few years later

Govt eases shifting

of registered offices post IBC resolution

KR Srivats

(IBC) 2016.

Ministry

Shifting the registered office

of a company from one State

to another just got easier for

cases involving successful

resolutions under the Insolv-

ency and Bankruptcy Code

The Corporate Affairs

amended the companies in-

corporation rules to expli-

citly provide that shifting of

the registered office may be

allowed where the manage-

ment of the company has

been taken over by new man-

agement under a resolution

plan approved under IBC and

no appeal is pending before

Also no inquiry, inspection,

investigation should be

pending or initiated after the

approval of the resolution

Under Rule 30 of Company

Incorporation Rules 2014,

shifting of registered office of

company from one state to

another required alteration

of the memorandum of association which mandated

Prior to the latest amend-

ment, proviso to Rule 30(9)

stipulated that Central Gov-

ernment will not allow the

shifting of registered office if

any inquiry, inspection or in-

vestigation has been initiated

against the company or any

prosecution is pending

against the company under

With the latest amend-

ment, another proviso has

the Companies Act.

Central

approval.

Government's

plan, MCA has stipulated.

EASE OF DOING BIZ

any Court or Tribunal.

(MCA)

QUICKLY.

Goyal participates in FII summit in Riyadh

New Delhi: Commerce and Industry Minister Piyush Goyal on Tuesday participated in the seventh edition of Future Investment Initiative (FII), global non-profit foundatio, at Riyadh in Saudi Arabia. "Deliberated on new pathways for investment with the goal to create a positive global impact and navigate new frontiers of growth and prosperity," Goyal said in a post on X. He is in Riyadh for a

Coal Ministry earns over ₹28 cr from scrap disposal

2-day visit.PTI

New Delhi: The coal ministry on Tuesday said a revenue of ₹28.79 crore has been generated by disposing of scrap as part of a special campaign. An area of approximately 50,59,012 sq ft has been freed so far via scrap disposal, the ministry said in a statement. A total of 1,08,469 physical files have been reviewed so far and 8,088 old files have been weeded out.PTI

India-UK FTA: Efforts on to finalise dispute settlement in investment pact

DOUBLE DELIGHT. Both countries working towards ensuring that FTA and bilateral treaty conclude in one go

Amiti Sen New Delhi

India and the UK are progressing towards a common ground on dispute settlement, the most controversial part of the Bilateral Investment Treaty (BIT) being negotiated, in a bid to ensure that the investment pact gets simultaneously concluded with the Free Trade Agreement (FTA) in goods and services, which is at an advanced stage of discussion, sources have said.

FINE PRINT

"Most of the issues in BIT have been settled. There are some areas left like Investor-State Dispute Settlement (ISDS) that need more work. But both sides have changed their stance during the current negotiations and become more flexible. The UK is attempting to be more ac-



IN FOCUS. Both India and the UK are setting the stage for Sunak-Modi talks later this month REUTERS (FILE)

commodative in its demand for international arbitration and may allow local remedies to be tried first with certain caveats. The concern around the 'exhaustion of local remedies' clause in

ISDS is related to the time it takes to settle disputes in India and needs to be addressed. You cannot make investors to wait for ten years," a source close to the development said. Although

negotiators of the India-UK FTA have been trying their best to close some remaining gaps in areas related to market access for goods and services and rules of origin in time for the proposed India visit of British Prime Minister Rishi Sunak this monthend, things are still not quite

"There has been no official announcement yet of the British PM's proposed visit to India although unofficially both sides have been talking about it. Moreover, all issues related to the India-UK FTA have not yet been ironed out though efforts are on continuously. So, it is wait and watch for all," the official said.

AMBITIOUS TARGET

The FTA, when implemented, is likely to help the two countries double bilateral trade to \$100 billion by 2030.

In the area of invest-

ments, India had first proposed a pact based on the Model Bilateral Investment Treaty (BIT) drafted by the Finance Ministry. However, the UK showed less inclination towards this proposed pact as it allowed investors to go for international arbitration only after exhausting local remedies. The UK wanted that international arbitration should be allowed without going to local courts

"A middle-ground is likely to be arrived at on the issue of local remedies by meeting UK's concern on the time taken to arrive at judgements on disputes locally," the source said.

While there was a strong buzz about the India-UK FTA being concluded first independently of the BIT, all efforts are still being made to ensure that both are finalised simultaneously, the source added.

ernment may allow shifting of registered office.

EXPERTS' TAKE Rohan Batra, Partner, Anagram Partners, a law firm, said that the amendment appears to facilitate shifting of registered office to another state/UT as part of the resolution process, once resolution plan is approved and no proceedings are pending under the Companies Act

been added to Rule 30(9). The

amendment clarifies that

where a new management

has taken over the company

under Corporate Insolvency

Resolution Process (CIRP),

the resolution plan has at-

tained finality, and there is no

after the approval of resolu-

tion plan, the Central Gov-

pending/initiated

against the company. Vipin Sharma, Partner, Luthra and Luthra Law Offices India said: "The clarification through this amended proviso by MCA is a welcome move as it further streamlines the process regarding change of registered office of a company acquired/ taken over through IBC process.

It supports the basic principle of IBC, that the acquisition of a company is on a clean slate basis once the resolution plan is approved by

the adjudicating authority." Vinod PV, Senior Partner, IndiaLaw LLP* said: "Off late MCA has taken measures to ease procedure for change in registered office of the company from one state to another. The current amendment is also in the same direction specifically regarding change in registered office under resolution plans".

IBBI moots measures to increase efficiency of insolvency professional entities

KR Srivats New Delhi

Insolvency regulator Insolvency and Bankruptcy Board of India (IBBI) has proposed a slew of measures to enhance the effectiveness of Insolvency Professional Entities (IPEs) in the Insolvency Resolution

The proposals outlined in a new discussion paper are aimed at rationalising the framework of IPEs commensurate to achieving the expected outcomes of their expanded role as Insolvency Professionals (IPs).

The discussion paper covers four main issues monitoring of IPE acting as IP; related party definition

0

Contact: 9061498267

for an IPE acting as IP; restriction on number of assignments by an IP and minimum fee structure of an IPE acting as IP. The public comments on the discussion paper have to be sent in by November 11, IBBI has said.

PROCEDURAL CLARITY

The proposals in the discussion paper are expected to provide clarity and flexibility to the IPEs to perform their functions within the purview of regulatory framework.

As of September 30, there are 113 active recognised IPEs. Of these, 64 entities have also been registered as

discussion paper provides that for an IP who

21/10/2023

2023_KCMMF_ 615017_1

Managing Director

is an individual, overall limit of 10 assignments at any point of time would be applicable, out of which not more than three can have admitted claims exceeding ₹1,000 crore each. The overall limit includes all the assignments of an IP.

For an IP which is an entity, overall limit has been pegged at five assignments per partner or director who are IPs, at any point of time (excluding the assignments

businessline.

Classifieds

PERSONAL

CHANGE OF NAME

taken by an IP in his individual capacity).

IPS, ENTITIES

However, number of assignments for an IPE acting as IP at any point of time should not be more than 15 assignments having admitted claims exceeding ₹ 1,000 crore each. The overall limit includes all the assignments of an IPE acting as IP, the discussion paper

IBBI had last year allowed IPE to be registered as an IP and carry on the activity of such professionals under the Insolvency Bankruptcy Code and

(IBC). This was a big policy shift as earlier only individuals were permitted to register as function as an IP in India

the Although provides for a wider definition of person which includes both the natural as well as juristic persons who can act as IPs, the regulations had limited ambit of specifying only an individual i.e., a natural person to get enrolled, registered and act as an IP.

This has been taken care of by allowing IPEs to act as IPs. This policy shift was also significant as only few countries (now India included) have allowed firms to undertake the role of IPs.

ENERGY FOR EVER इरेडा IREDA

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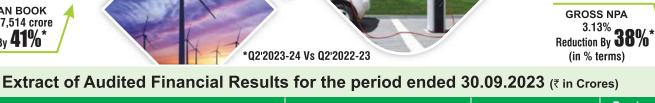
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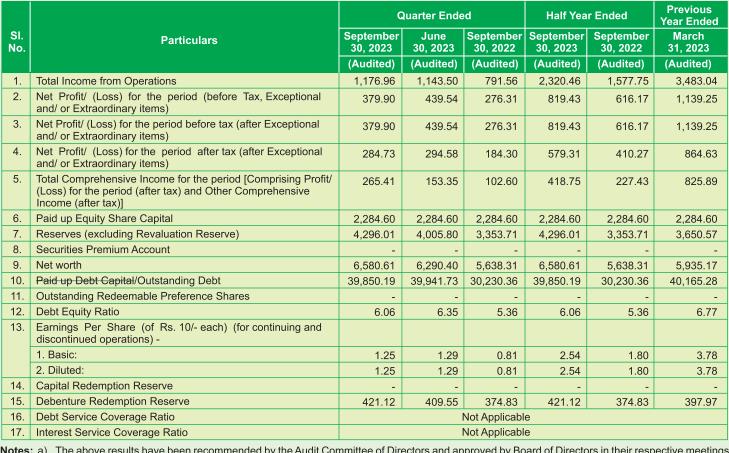
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Notes: a) The above results have been recommended by the Audit Committee of Directors and approved by Board of Directors in their respective meetings

held on 23.10.2023. b) The above is an extract of the detailed format of quarterly financial results filed with stock Exchanges under Regulation 52 of the LODR Regulations. The full format of the quarterly financial results is available on the website of the company viz. www.ireda.in and on the websites of stock exchanges viz www.bseindia.com & www.nseindia.com.

c) For the other line items referred in regulation 52(4) of the LODR Regulations, pertinent disclosures have been made to stock exchanges and can be accessed at www.bseindia.com and www.nseindia.com respectively.

For and on Behalf of the Board of Directors **Pradip Kumar Das** Chairman & Managing Director

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WEDNESDAY - OCTOBER 25, 2023

Crossed wires

Telecom companies find themselves in trouble again

he Supreme Court's judgment last week in a long running case regarding the classification of annual licence fee payments as capital or revenue spells fresh trouble for telecom companies. Overturning a 2013 judgment of the Delhi High Court, the apex court has held that annual licence fee payments cannot be written off against revenues but should be treated as capital expenditure and amortised over the licence period.



The Court's decision is a straight reading of Section 35 ABB of the Income Tax Act, which clearly states that licence fee payments are in the nature of capital expenditure to be amortised over the licence period, and also aligns with the accounting definition of capital expenditure. Considering that a licence is a pre-requisite for telecom companies to do their business, any payment for acquiring that licence ought not to be classified as revenue expenditure just because it is made in annual instalments over the course of the licence period. Even so, the telecom companies tried their luck over extended proceedings that started at the assessing officer's level in 2006 and going up all the way to the Delhi High Court which ruled in their favour. The apex court's judgment is on an appeal by the tax department.

What does the judgment now mean for telecom companies? The answer depends on whether the judgment is read as with prospective or with retrospective effect by the tax authorities. The Court has not specified on this aspect. Assuming that it is applied prospectively, telecom companies could see a narrowing of their cash flows in the initial years of the licence period as tax outgo increases. All things remaining the same and without considering the time value of money, the total tax paid by the company over the licence period will not vary significantly. However, considering that the tax department has been on the case since 2005-06, it is quite possible that it will want to apply the judgment with retrospective effect from the start of the licence period. In that event, the profitable telecom companies such as Bharti Airtel and Reliance Jio may have to shell out significant sums as retrospective tax. Brokerages have estimated that Airtel's bill may be about ₹6,000 crore while Jio's liability has been estimated at ₹8,400 crore.

It is possible that the telecom companies may file a review petition in the Supreme Court. The onus is now on the tax authorities and the government. They would be justified in calculating tax liabilities with retrospective effect considering that the case dates back to an assessment order given in 2006. Unlike the Vodafone case, the tax liabilities stem not from an amendment to the tax law but from a judgment in a long running case. Instead of pursuing legal remedies, the telecom companies would do well to negotiate an amicable solution with the government. The best outcome could be an interpretation of the judgment as with prospective effect but a pragmatic one would be a negotiated settlement.

POCKET

RAVIKANTH



How should fintech SROs work?

PUBLIC GOOD. Self-regulatory organisations in fintech and the RBI should be on the same page to minimise friction



B SAMBAMURTHY G PADMANABHAN

here has been a revival of interest by the RBI in the creation of a new framework for recognition of SROs (self-regulatory organisations) for fintechs as one more layer in the regulatory fabric. It remains to be seen how this yet-to-be-unveiled framework differs from the earlier one announced in 2020.

SROs, in close co-ordination with the RBI, are expected to fulfil regulatory objectives like financial stability, market integrity and consumer protection. All these objectives are essentially public

Prof Howell, in his paper published in Harvard DASH repository, explains the successive stages of regulation process thus: (i) rulemaking; (ii) enactment; (iii) monitoring; and (iv) enforcement. The public regulator may delegate to, or co-work with, SROs for some, if not all, these processes.

SROs, to start with, may play an active role in rulemaking. Given their domain expertise and being close to markets and consumers, they may provide a live feedback loop to regulators. Of course, regulators would be on guard to ensure that these are not self-serving.

It would take a while for SROs to be able to enforce the rules and levy penalties for breaches. This is particularly a challenge as many fintechs are not licensed by the RBI, unlike members of FEDAI and IBA. They can exert moral-suasion to control any malfeasance — maybe by naming and shaming. They can help the RBI in shaping a monitoring and enforcement framework

There are issues that the regulator needs to address, to ensure the success of SROs. They should operate on sound governance structures and practices.

First, there are over 3,000 government recognised (not licensed by the RBI) fintechs. Some reports put the number at more than 7,000. The scale and scope of their businesses vary widely. It is important to map all these fintechs using some customer and market impact metrics.



Second, business and operating models of fintechs vary widely, though innovation is a common thread. Small players feel squeezed by the big ones and demand a level-playing field. And so do traditional players. Is this the job of the regulator or that of the market?

According to the Bank for International Settlements (BIS), ensuring a level-playing field is only an intermediate objective and not a priority (Occasional paper no 17). This may be ensured only after the primary regulatory goals of financial stability, market integrity and consumer protection are achieved. It suggests a lexicography of regulatory objectives and priorities.

Third, an issue that needs to be spelt out is the appropriateness of application of activity-based and/or entity-based regulation in a given context. It is not a binary choice but a blend of both in many cases. For instance, ensuring operational resilience needs a blend of entity- and activity-based regulations. In certain areas like KYC/AML/CTF, activity-based regulation may be adequate. Entity-based regulation may help rein in prudential risks

SROs will play a significant role in developing best practices for implementation of the Digital Personal Data Protection Act

Fourth, banks sell third party products of companies regulated not by the RBI but other regulators like IRDAI or SEBI. The interconnectedness may throw up systemic issues. This needs a multi-regulatory framework and intervention. Mis-selling, mis-characterisation and liquidity issues keep cropping up. A platform for inter-SRO collaboration also helps.

Notwithstanding differing business and operating models, traditional full-service banks and fintechs may have to work together under a single SRO as their products and services are similar in some respects.

Some traditional banks deploy phygital operating models as they have developed tech capabilities similar to pure-play fintechs.

Working together can create a win-win situation and improve the ecosystem. The disruptors and the disrupted (prey and predator?) may have to learn to live for the common good. It would be a challenge to herd in all these heterogeneous players under one homogenous roof.

SROs and the RBI need to be on the same page to minimise friction. This facilitates ex ante regulations which mitigate regulatory uncertainty and give comfort to both. But industry bodies, useful in their own way, cannot double

SROs will play a significant role in developing best practices and frameworks for implementation of the newly enacted Digital Personal Data Protection Act. The days of open-ended misuse of data are over. In these times of fast paced tech innovations and high stakes, tensions are bound to rise among various players/groups. Timely regulatory intervention can help in

A measure of the success of SROs lies in maximising positives like social welfare and public good objectives. While SROs may play a significant role, the buck ultimately stops at the public regulator, particularly to stop abusive, coercive and opaque practices.

UPI TRANSACTIONS

Three large players account for over 90 per cent of UPI transaction volume, and one player nearly 50 per cent. Concentration is a regulatory issue from financial stability and market integrity perspective. It can also impact innovation Protocol-driven technical architecture is considered superior to platform-based architecture as this would prevent concentration in the UPI

Nandan Nilekani and Tanuj Bhojwani, in The ART Bitfulness, explain the rationale for their choice of protocol-driven architecture over platform for UPI (page no 267/68). But in reality, we see massive concentration of UPI transaction volume. This falls in the realm of public regulation, economic policy and political economy. SROs may not be able to address this issue.

 $Sambamurthy\,is\,former\,Director\,and\,CEO\text{-}IDRBT\,and$ Director NPCI; Padmanabhan is former Executive Director of RBI, and Senior Consultant, AZB Partners.

India's wheat policies are behind the curve

Climate stress has hit output, while inaccurate data inhibit policy response. Review of data collection systems is taking place

G Chandrashekhar

ver the last 18 months, wheat has been a topic of animated discussion in the global agribusiness circles following the outbreak of the Russia-Ukraine war. As the world's second largest producer of wheat, in India, too, wheat has been a topic of debate.

Since the harvest last year (April/May 2022), the supply-demand fundamentals have tightened. Procurement by Food Corporation of India (FCI) has fallen well short of the target for two years in a row, 2022 and 2023. Tight S-D balance has driven open market prices well above the specified procurement price.

Concerned over the wheat situation, the government has made a series of interventions including a ban on export in May 2022. Stock limits have been imposed and then tightened. Wheat allocation in the welfare programmes

was reduced, partially replaced by rice. For a country long used to massive public stocks and unmanageable surplus, this development has shocked stakeholders, including the policymakers. Yet, for independent observers rooted to the ground, this was something waiting to happen. It reflects the failure of the policymakers to read advance signals sent by the market.

Three aspects — production, acreage and yield — bear scrutiny. On production, it is well recognised that Indian wheat has been at the limit of heat tolerance for at least ten years now. Climate change has started to take a toll. Do we recognise this reality?

The heat waves experienced in 2022 and 2023 were a stark reminder. Extraordinary research efforts and investments are necessary to evolve heat-resistant, heat-tolerant wheat varieties. It is unclear if anything is happening in this direction.

SATURATION POINT

The next aspect is acreage. This author believes, at 33-34 million hectares, wheat acreage may be nearing a saturation point. We cannot expect any dramatic expansion in wheat planted area in future years. If anything, a part of the wheat acreage in high input, grain mono-cropping regions should shift to other crops such as oilseeds and pulses for crop rotation to reduce adverse environmental impact.

Of late, Madhya Pradesh has emerged as a high producer of wheat. Which other



YIELD. Appears to be plateauing

States are ready to emulate Madhya

As for yield, Indian wheat is said to average 3.5 tonnes per hectare. There are regional variations though. Importantly, we cannot ignore climate impact. There is suspicion our yields may be plateauing. Also, unusual heat during the growing period can reduce yield up to 20 per cent.

India's average yield of 3.5 t/ha is the same as global average, but that's a small consolation. Average wheat yield in the European Union is 5.5 t/ha while in China it is even higher at 5.8 t/ha. Is there any lesson we can learn?

A serious issue relates to production data. Our official production estimate appears to be overstated by about 10 per cent last two years. The user industry

does not trust the government data not just of wheat but also rice, oilseeds and pulses.

If the government production estimates (107 million tonne for 2022 and 112 mt for 2023) were correct, we would not be facing the current alarming situation of tight availability, elevated prices and restrictive trade policies. Lower production is further corroborated by lower procurement by FCI again for two years in a row.

The wheat milling industry is the vital link between growers and consumers. But it finds itself handicapped because of inadequate raw material availability and administrative controls.

Unfortunately, New Delhi ignored the market signals and reality has come to bite. This was avoidable with a bit commercial intelligence and research as well as stakeholder consultation.

Mercifully, the government is reviewing its data collection and data management processes and has launched the Unified Portal for Agricultural Statistics (UPAg). It is hoped there will be flow of more credible data from the government side.

The author is a policy commentator and agribusiness specialist. Views are personal

• LETTERS TO EDITOR Send your letters by email to bleditor@thehindu.co.in or by post to 'Letters to the Editor', The Hindu Business Line, Kasturi Buildings, 859-860, Anna Salai, Chennai 600002.

Govt borrowing costs

This refers to the news on unexpected rise in G-Sec bond yields and the measures the government intends to take to arrest the trend. It has to fight against several issues confronting the country like high inflation rates, surging inflation, liquidity, etc. All are interconnected. On the inflation front, it has to tackle both domestic and imported inflation which seem unlikely to abate anytime soon due to geopolitical issues.

The government's plan to resort to OMO sales will further put pressure on bond rates which are on an upward trend. These developments may not only increase the borrowing cost of the government but will also lead to revaluation losses on securities to banks. Various

developments at the global level are expected to put pressure on crude oil prices which are already hovering at around \$90 per barrel which will have a negative impact on the import bill. Many State governments' borrowings have reached unsustainable levels which is a cause for concern to the Central Government. Fiscal and monetary policy co-ordination is the need of the hour to tide over the crisis. Srinivasan Velamur

Relevance of WTO

Eons after its genesis as GATT, the WTO has been used to battling tariff barriers and subsidies. Yet, it does provide the lone forum for dialogue. Its relevance ought to have increased with a spectrum shift in trade

components and transnational issues, the tectonic shift in epicentres of growth as also the volume and direction of trade flows. But then, the likes of Trump could jeopardise pacts and agreements. painstakingly put in place for years. Individual nations were too ready to tap into advantages provided by globalisation but reluctant to share common problems. Maybe as more mega trade blocs take shape, they could confer more voice to lesser economies within their fold, at the WTO.

R Narayanan

Economic policymaking We frequently hear discussion

about the fundamentals and performance of the Indian economy, but it's crucial to recognise that India represents not only a vast market but also offers significant potential for expansion. However, our approach to opening up this market, akin to China's transformative shift two decades ago, has been restrained primarily due to religious and political complexities that hinder expansion. Our infrastructure still falls short of the necessary standards. The ongoing crisis in West Asia has

direct ramifications for the Indian economy. India is heavily reliant on countries in the region, both for employment opportunities and its energy requirements. It's imperative that our strategies align with the dynamic and evolving landscape, and that they are well-equipped to address the

Girish R Edathitta

students. With expansion of firms/industries in India, it is imperative that employers as well as employees communicate well to sell their commodities. It is germane to point out here that the CBSE insists on listening, speaking, reading and writing skills in higher classes. If the evaluation process is streamlined, it can yield desirable results.

challenges and opportunities that lie

Communication skills

institutions such as the IITs are

the communication skills of

It is interesting to note that technical

conducting workshops to enhance

S Ramakrishnasayee

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Settle out of court

Arbitration does not require court intervention

P Madhava Rao

rbitration, an alternative dispute resolution (ADR) method, does not require court involvement in arbitrator selection or award issuance. The pace of judicial administration in India and legislative support for ADR must be examined to understand this assertion.

The National Judicial Data Grid reports about 4.47 lakh cases waiting in courts from the highest to the lowest institutional level. Ironically, 85 per cent of these cases are in district courts. Over six lakh of these cases have been languishing for over 20 years, and 95,000 for over 30. As much as 1.10 million civil lawsuits and 3.33 million criminal cases are pending. This has led policymakers to consider alternative justice delivery methods or ADR mechanisms.

A MAJOR STATUTE

The Arbitration and Conciliation Act, 1996 is a major ADR statute. It has some roots in the 1940 Arbitration Act. From 2015 through 2021, the 1996 statute was amended to make arbitration available to anybody who desired to resolve disputes outside of court. Arbitration aims to give arbitrators' rulings the same weight as a court's judgment. Section 7 of the Act requires parties to freely agree to arbitrate. Both disputing parties should go to an Arbitration Institution to find a mutually agreed arbitrator. Arbitrators hear cases like courts do and make awards. A conventional court case, where only one aggrieved party goes to court and the court summons, collects evidence, hears, and passes the judgment, does not require mutual consent. Sometimes the other party is unaware that a court will summon it for any act that requires judicial action to resolve the disagreement. The difference between mediation and arbitration is minimal. In mediation, disputing parties choose a mediator/mediation institution, consult them, and resolve the conflict on their own with the mediators' expert advice, while in arbitration, parties give the arbitrator decision-making power with mutual consent. Then the arbitrator passes an award that

is enforceable legally. Arbitral procedures are never interrupted by courts. Arbitrators need not be court-appointed. The parties are free to agree on a procedure for appointing the arbitrator(s), but if they fail to do

businessline.

October 24, 2003

TWENTY YEARS AGO TODAY.

DCA to set tough norms for director appointment

The Department of Company Affairs (DCA) is proposing to disqualify those

redeeming debentures, or payment of dividend declared on the respective

seeking re-appointment as a director if the company in which they have been a director has defaulted in repaying deposits and interest, in

Air Sahara to be first off the block; plans Colombo link

international airspace. In a statement here, the airline has said that it plans

to offer a daily flight on the Delhi-Bangalore-Colombo sector within seven days. The airline plans to use a Boeing 737-800 aircraft offering a total of

The corporate profile of Asian Paints acquired a new splash of colour, with

the company acquiring the 9.2 per cent stake in ICI (India) Ltd that was

168 seats in both business and economy class to start the service from

Asian Paints buys 9.2 pc govt stake in ICI at ₹205

held by the Government at a price of ₹205 per share on Thursday.

Air Sahara is likely to be the first private domestic airline to breach the



COURTS. Focus on serious cases

so, the court will appoint an arbitrator, according to Section 6(2) of the Act. Section 5 of the Act confirms that no judicial authority shall interfere except as authorised in this Part in matters controlled by this Part.

The courts can intervene four more times at the parties' request. One, to refer parties to arbitration under Section 8 if there is an arbitration agreement. Two, to grant interim measures under Section 9, if requested by the parties. Three, under Section 11, if the parties cannot agree on a tribunal appointment method or cooperate in making appointments. The fourth intervention is to set aside the award under Section 34 of the Act at the parties' request if the arbitrator did not follow the procedure, there is no agreement, the arbitrator was unilateral, the parties were incompetent, or a conflict of interest existed. Otherwise, courts have no role in appointing arbitral tribunals or passing awards.

Ignorance about arbitration as a non-court conflict resolution method is a big issue. The government revised the Act in 2021 and established the Arbitration Council of India (ACI) to regulate institutional $arbitration, although ACI \, has \, not$ yet been operationalised.

Required advocacy initiatives have not been run to reach more people. Private arbitration firms are targeting high-end and multinational clients. Some State governments have signed MoUs with private arbitration institutions to allocate all their cases, which violates the basic principle of arbitration, which requires mutual consent through an arbitration agreement. Using an arbiter without other disputant's consent is illegal. Arbitration institutions must be notified immediately pending ACI development to govern arbitration justice. Thus, courts can focus on serious criminal cases and reduce case backlog.

The writer is former Senior Advisor, United Nations

China's BRI hits debt obstacle

To get around the high debt of partner countries and its own slowdown concerns, China is paring the size of its projects

THE WIDER ANGLE.



PARAN BALAKRISHNAN

he world leaders were assembled in Beijing, albeit fewer in number than in previous years. The once soaring rhetoric was also far more subdued. In short, China's Belt and $Road\ Initiative\ (BRI), the\ grand$ trillion-dollar scheme that would ensure all roads in Asia and parts of Europe led to Beijing or some Chinese corner, has fallen very short of its grand goals. Now, China's economic slowdown is squeezing President Xi Jinping's signature initiative even more.

For starters, let's look at the China-Pakistan Economic Corridor (CPEC) touted as a "win-win" scheme that would transform Pakistan beyond recognition. The plan talked about tourist resorts on the Arabian Sea and fishing ports. There was mention of giant agricultural hubs that would even send food back to China. The investment for these game-changing projects was put at a staggering \$62

Fast-forward and these dreams, along with expectations of fruitful cooperation, have crashed against the hard rocks of reality. CPEC's more fanciful schemes have morphed into a mundane mix of roads and power plants to help transportation and fix shortages in the electricity-starved nation. The Chinese are reckoned to have built, or are building, eight coal-fired power plants that will produce a total 6,900MW. But Pakistan's financial and political crises mean it's finding it tough to pay even for coal to fuel these plants. Financing comes invariably from Chinese banks and the projects are constructed by Chinese companies. Many criticise the projects as too expensive but it's too late as Pakistan is locked into a vicious cycle of debt-swelling construction that leaves them ever more in hock to China.

Also, about to get under way is a 300 MW coal-fired plant at Gwadar, which will provide power to the port city's



CHANGING TRACK. China's infrastructure investments in Africa are being redesigned REUTERS

special economic zone. But there's resentment in Gwadar because large Chinese trawlers are pushing the smaller local players out of the best fishing areas.

Head to Malaysia where the BRI has made on-off progress. Here, projects have been cancelled almost every time a government has changed. The \$16-billion East Coast Rail Link, for instance, was scrapped by one government but put back on track after another party took power. The Chinese had to cut the project cost by several billion dollars and there were strong allegations that they had inflated costs heavily. Two gas-line projects appear to have been ditched because they got entangled in a gigantic corruption

Sensing a potential impending vacuum, the US is looking for ways it can muscle out the

Chinese and become the infra benefactor for Africa and elsewhere.

scandal involving ex-prime minister Najib Razak. The crisis-hit Chinese developer Country Garden is involved in a colossal \$100-billion housing project and has missed debt payments. The company insists its Malaysian unit is unaffected by the company's crisis in

PUSHING AHEAD IN AFRICA

The BRI is moving forward more determinedly in Africa, but with mixed results. A railway line from Kenya's port city Mombasa to Nairobi has been highly appreciated by passengers but it's racking up losses because more building is needed to make it viable for freight. Kenya is now stuck with loans of \$4.7 billion, mostly to Chinese banks. It needs to spend more to extend into Uganda and make the freight line viable But the Ugandans appear keener on having a freight line heading into Tanzania. The Kenyans are now worrying they're too heavily in debt to the Chinese and this may affect their economy. It's much the same story in other parts of Africa.

To get around the excessive debt issue, the Chinese are now moving to the belief that small is beautiful. In Kenya, for example, BRI spending is likely to drop from \$216 million in 2022 to a tiny \$12.7 million.

The fall is hardly surprising considering that China is going through its worst economic crisis in decades. In other parts of Africa, too, it's squeezing spending because it can't afford to pay and the return on investment may be

long in coming. Sensing a potential impending vacuum, the US is looking for ways it can muscle out the Chinese and become the infrastructure benefactor for Africa and elsewhere. The US-led Partnership for Global Infrastructure Investment is still only at an embryonic stage but India is almost certain to be part of the scheme.

India has always stonewalled all attempts to draw it into the BRI. In fact, analysts reckon India's refusal was one of the early indications that convinced the Chinese we would always keep our distance from them. Now, the Chinese have their own financial house to put in order, it may perceive going slow on its "project of the century" or letting it wither on the vine could be the best option going.

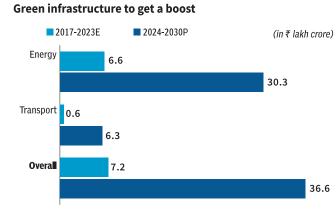
STATISTALK.

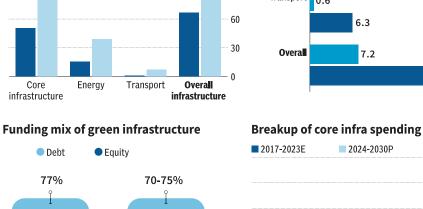
Compiled Vishal Balabhadruni | Graphic Visveswaran V

India's infrastructure spending spree

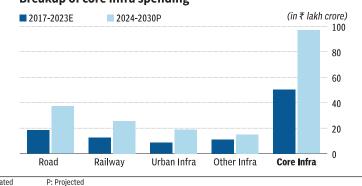
Infrastructure spending in India is expected to double to ₹143-lakh crore in FY2024-2030 compared to FY2017-2023. The green infrastructure spending is projected to be ₹36.6-lakh crore in FY24-30. Here are 4 charts which tell you the story in detail

Huge investments lined up ■ 2017-2023E 2024-2030F (in ₹ lakh crore) 90 60 30 Energy Transport Overall infrastructure infrastructure





25-30%



Short take

US' China investment order worries the EU +

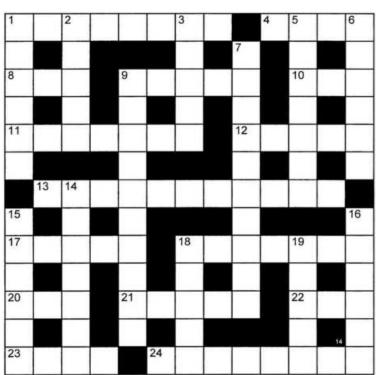
Alberto Nardelli Jorge Valero

he European Union has told the Biden administration it's concerned that US restrictions on outbound investments aimed at China could hit companies in the bloc, adding transatlantic ties. Senior EU officials have strongly communicated the worries to their counterparts in the US, according to people familiar with the matter and documents seen by Bloomberg.

The concern is that an executive order announced by President Joe Biden in August has extraterritorial aspects that could end up affecting trade in the EU that involves companies based in Europe with US investors on the one side and Chinese owners on the other, the people said. Though the executive order is narrow in scope — targeting some Chinese companies working primarily in areas related to artificial intelligence, quantum computing and advanced semiconductors — it would likely apply to US persons anywhere in the world, one of the people said.

A spokeswoman for the Treasury Department said the order is targeted narrowly to focus on US national security interests. The EU didn't immediately reply to a request for comment. BLOOMBERG

• BL TWO-WAY CROSSWORD 2298



EASY

ACROSS 1. Daredevil (8)

4. Note, informal letter (4)

8. Loud, continued noise (3) 9. Ooze (5)

2017-2023

23%

Source: Crisil Market Intelligence and Analytics report

10. A grain (3)

11. Mercurous chloride used medicinally (7)

12. Bring into active operation (5)

13. An inclination to partiality (11) 17. Yonder (5)

18. Spools (7)

20. An encouraging stroke of the hand (3)

21. Type of TV (5)

22. The sheltered side (3) 23. Extinct bird (4)

24. Thick-and-thin supporter (8)

DOWN

1. Change to another form (6)

2. Artificial waterway (5)

3. Slop over (5) 5. Large wasps (7)

6. A score (6)

7. Pleasing,

delightful (10) 9. Sleepiness (10) 14. Was put on the

qui vive (7) 15. Thick, dull (6)

16. Backwards at sea (6) 18. Holy scriptures (5) 19. The Muslim faith (5)

NOT SO EASY

ACROSS 1. Rash of freckles didn't start with sulphur (8)

4. A girl, note (4)

8. Racket taken in hand instead (3)

9. It could be miles of slippery mud (5)

10. Bread, or whisky, for a gypsy gentleman (3)

11. Mercurous chloride makes it all come adrift (7)

12. Apply pressure to unknown quantity in tree perhaps (5)

13. It is almost a pet doctrine, such preferential treatment (11)

17. In that place it is comfortingly repeated (5)

18. Reels, with Robert, to the wine racks (7) 20. A bit of butter to encourage one? (3)

21. A tenth of a nautical mile of wire (5)

22. Put the fish back in the quarter to which the winds blows (3) 23. Ditto, repeatedly, it is a bird no longer with us (4) 24. Fowl taken to church by chap who's at one's right hand (8)

1. Take weight off by use of crude energy (6)

2. Waterway that makes an entry in State (5)

3. A slight accident to the flame-carrier (5) 5. He's torn badly by such as sting (7)

6. Score five boundaries (6)

7. Belted, with lace that could be delightful

9. Moon about in silence one had left in one's sleepiness (10)

14. Was warned it could be altered (7)

15. Puts up with one, dead silly (6)

16. It is like a gull that is behind a sailor (6)

18. Holy writ on this sort of paper (5) 19. Mail's been distributed to the Muslim

SOLUTION: BL TWO-WAY CROSSWORD 2297

ACROSS 1. Fictional 5. Mob 7. Real 8. Bungalow 10. Infected 11. Bier 13. Glower 15. Launch 18. Body 19. Calender 22. Announce 23. Fire 24. Til 25. Languages DOWN 1. Farming 2. Chaff 3. Neuter 4. Legs 5. Million 6. Bower 9. Screw 12. Cater 14. Ordinal 16. Harness 17. Falcon 18. Boast 20. Doing 21. Pull

QUICKLY.

Retail investors can subscribe to floating rate bonds now



Mumbai: The RBI has expanded the basket of products offered via the Retail Direct Portal, allowing retail investors to subscribe to Floating Rate Savings Bonds, 2020 (Taxable) These are interest bearing, non-tradeable bonds which are repayable on the expiration of sever years from the date of issue. Under the Scheme, individual investors are permitted to open retail direct gilt account using the online portal https://rbiretaildirect.org.in.ourbureal

NSE Indices inducts Dakshita Das into board

New Delhi: National Stock Exchange (NSE) subsidiary NSE Indices has inducted former bureaucrat Dakshita Das on its board. Das retired as an Additional Member (Finance) Railway Board in 2021.According to the NSE Indices website, Das was inducted into the board as an independent director last week. PTI

Cello World sets IPO price band at ₹617-648 per share



New Delhi: Consumerware player Cello World Ltd has fixed a price band of ₹617-648 per share for its ₹1,900-crore IPO, market sources said. The issue will open for public subscription on October 30 and conclude on November 1. The issue is a complete offer for sale by promoters and other selling shareholders, with no fresh issue of equity share component. PTI

Category III AIFs yield lower returns than Nifty in September

LACKS LUSTRE. Long-only funds gave 1.46% while long-short funds returned 1.13% vs Nifty's 1.99%

Ashley Coutinho

Most category III alternative investment funds have underperformed the benchmark Nifty in the month of September. Long-only funds gave average category returns of 1.46 per cent, while long-short funds returned 1.13 per cent on average, the data from PMS Bazaar for category III AIFs showed. The Nifty was up 1.99 per cent during the month.

Of the 61 long-only funds, 50 gave positive returns, while 11 schemes gave negative returns. All of the 20 long-short funds endedingreen. Fifty of these 81 schemes underperformed the benchmark Nifty.

First Water Capital Fund was the best performer in September, with returns of 5.5 per cent. 360 One Asset Management's Turnaround Opportunities Fund was the secondbest performer with returns of 4.9 per cent, followed by Nippon India's Reimagine India

HOW THEY FARED

- Of the 61 long-only funds, 50 gave positive returns, while 11 schemes gave negative
- First Water Capital Fund was
- the best performer in September, with returns of 5.5%
- For the one-year period, Aeguitas Equity Scheme I was the best performer, with returns of 82.9% • S&P BSE Midcap and S&P BSE 250 SmallCap, were up

by 3.6% and 1.9%, respectively

Opportunity 7, which returned 4.6 per cent.

BEST PERFORMERS

For the one-year period, Aequitas Equity Scheme I was the best performer, with returns of 82.9 per cent. Abakkus Asset Manager's Emerging Opportunities Fund I and First Water Capital Fund were the other two top performers for the one-year period, with gains of 51.5 and 46.9 per cent, respectively.

the long-short

funds, Dolat Absolute Return was the top performer in September with returns of 2.6 per cent. Whitespace Fund 1-Equity Plus has topped the charts for a one-year period

with returns of 27.2 per cent.

The broader markets, S&P BSE Midcap and S&P BSE 250 SmallCap, were up by 3.6 per cent and 1.9 per cent, respectively. PSUs (11 per cent), power (7 per cent) and metals (6 per cent) were the top sectoral gainers. Foreign portfolio investors saw net outflows of about \$1.8 billion in September, while domestic institutional investors saw net inflows totalling about \$2.4 billion.

CLASSIC DICHOTOMY

"A strong domestic macro and an equally worrying global scenario have led the markets to a classic dichotomy situation. The recent global events and the ensuing earnings season will drive market movement in the current month. Momentum should abate a bit and allow opportunities for longer-term investors to gradually build their portfolios," said Sunil Singhania, founder of Abakkus Asset Manager, in a recent note to investors.

A long-only fund takes only long positions. A long-short fund takes both long and short positions in the market and uses several alternative investing techniques, such as leverage, derivatives, and short positions, to purchase relatively undervalued securities and sell overvalued ones

Rupee stuck in a range

Akhil Nallamuthu

The rupee (INR) has been trading flat against the dollar (USD) for about a month. Despite the Israel-Hamas war-induced volatility in the markets in general, the local currency has managed to stay stable.

WEEKLY RUPEE VIEW.

Although US Treasury yields rose, it did not lift the dollar, and consequently, there was no downward pressure on the domestic currency. Also, foreign inflows helped the rupee to some extent. The numbers are not strong, though. According to the NSDL (National Securities Depository Ltd) data, the net FPI (foreign portfolio investors) inflows over the past week stood at nearly \$60 million. On Monday, the rupee ended at 83.19 versus the US dollar.

The charts show a clear lack of trend. Below is an analysis.

Even though the long-term trend remains bearish, the rupee has been charting a side-

STAYING STABLE. Though the long-term trend is bearish, the rupee has been charting a sideways trend for the past one month ways trend for the past one month. It has largely been moving within 83 and 83.30. Technically, the USDINR currency pair ought to move out

If the rupee breaks out of the resistance at 83, it can appreciate to 82.70, a barrier. Subsequent hurdles can be seen at 82.50. On the other hand, if the rupee slips below 83.30, it can depreciate to 83.50 quickly. There is a good chance for the downswing to extend to the support band of

of the 83-83.30 range to estab-

lish a trend.

The dollar index (DXY) has softened after marking a high of 107.40 in early October. On Monday, it ended at 105.60. But note that the index has support at 105.50. If there is a rebound, DXY can move up to 106.70, a minor resistance this week. On the other hand, if the support at 105.50 is breached, there could be a drop to 104.50.

OUTLOOK

As it stands, the probability of rupee staying in the range of 83-83.30 is high. If the dollar rebounds, it can drag the rupee to 83.30 from the current level of 83.16. However, it is a waitand-watch situation whether INR moves out of the abovementioned range

manifold this festive season.

MSMEs are leaving no stone

unturned. The rise has been

most significant for short-

term loans. As consumer

spending is projected to rise

further in the upcoming

months, demand and dis-

With rising appetite among customers, digital lenders see 15-20% more demand

Jyoti Banthia Bengaluru

The digital lending industry is betting big this festival season as it sees an upsurge in demand as consumers prepare to loosen their purse strings and merchants stock up to meet the additional demand.

For digital lending platforms, overall disbursals could go up by an average of 15-20 per cent during the festival period due to easy access to credit and a range of offers, benefits, cashback, and zerofee deals. "The retail sector foresees a promising year ahead, with customers gearing up to increase their spending and retailers preparing to meet the heightened demand. The digital lending sector this festive season foresees a substantial 15-20 per cent increase in demand as digital lending firms are giving easy access to credit to ensure that this festive season is truly special, even if it requires a little financial assistance," said Manika Mittal, Communications Head, BalanceHero

Mumbai-based platform NeoGrowth is hoping to take its quarterly credit disbursal to ₹750 crore during the current festive season. "Festive season credit demand builds over a period of two to three months, leading up to the festivals. Retail MSMEs need credit to stock up inventory to meet the anticipated surge in consumer demand during the festive season," said Arun Nayyar, MD and CEO, NeoGrowth.

LOAN ENQUIRIES UP

Loan applications start seeing an uptick as early as August, continuing for the next 2-3 months until the end of the festival season, he added.

Amazon reported that 25 per cent of the shopping or-



CELEBRATION TIME. The retail sector foresees a promising year ahead, with customers gearing up to increase their spending

ders placed on the platform were funded through installments and that three out of four EMI offers were no-cost ones, where the customer does not have to pay any interest on the pay-later loan. Flipkart Pay Later grew by 4X

the sale event. In comparison to last year, loan inquiries in recent months have shot up by 150 per cent, said Hardika Shah, founder of Kinara Capital. Disbursement is 11 per cent higher month-on-month, she added.

in the last eight days during

Business loans to MSMEs will see a 20 per cent rise this festival season, Shah said. Component manufacturers catering to consumer durables as well as automobile industries and textiles are the leading sub-sectors driving the demand for business "With consumer spending expected to grow

bursement are also expected to shoot up. We are anticipating a 20 per cent y-o-y rise in disbursement this festival season," she said. While banks and NBFCs have dominated this segment with offers on cards for consumers and business loans for

merchants, the fintech lending industry is seeking a larger share of the credit pie.

TODAY'S PICK.

— Colgate-Palmolive (₹2,075.7): BUY

Akhil Nallamuthu bl. research Bureau

Colgate-Palmolive's stock has been moving in a narrow range for nearly two weeks. It was oscillating between ₹2,035 and ₹2,085. Last Friday, it broke out of the resistance at ₹2,085. Although the stock price moderated on Monday, it managed to close above ₹2,075, a positive sign.

one and the stock is likely to rebound on Wednesday. We expect the stock to hit ₹2,125 soon. Hence, traders can

Colgate-Palmolive Return 30% Oct 24, 22 Oct 23, 23

at the current level of ₹2,075. Place initial stop-loss at ₹2,050. When the stock rallies past ₹2,100, tighten the stop-loss to ₹2,075. Book profits at ₹2,125.

on technical analysis. There is a risk of

Day trading guide

) Infosys

2200

2300

₹1408

» Nifty 50 Futures

19250	19100	19300	19380	Sell now and on a rise to 19340; stop-loss at 19400.
₹1505	» HD	FC Banl	k	
S1	S2	R1	R2	COMMENT
1500	1480	1520	1540	Go short if the stock falls below 1500; stop-loss at 1520.

		•		
S1	S2	R1	R2	COMMENT
1400	1385	1415	1445	Sell the stock as trend appears bearish; stop-loss at 1420.

S1	S2	R1	R2	COMMENT
435	430	440	445	Initiate shorts if the stock falls below 435; stop-loss at 440.
₹184	» ong	С		

₹2262	» Reli	iance Inc	d.	
				decline in price; stop-loss at 186.
184	182	186	188	Sell the stock as it could face a

				·
₹553	» SBI			
S1	S2	R1	R2	COMMENT
545	540	560	565	Short now and on a rise to 558; keep a stop-loss at 562.
₹3409	» TCS			

31	32	K1	NZ	COMMENT
3400	3360	3435	3475	Wait and go short it to 3435; stop-loss a

S1, S2: Support 1 & 2; R1, R2: Resistance 1 & 2.

The price action on the daily chart shows that Monday's price decline is likely to be a corrective consider initiating intraday longs

₹ 2075 2130 1990

on the stock of Colgate-Palmolive

Note: The recommendations are based

19250	19100	19300	19380	Sell now and on a rise to 19340; stop-loss at 19400.
₹1505	» HD	FC Banl	k	
S1	S2	R1	R2	COMMENT
1500	1480	1520	1540	Go short if the stock falls below 1500; stop-loss at 1520.

R2 COMMENT

1400	1385	1415	1445	Sell the stock as trend appears bearish; stop-loss at 1420.
₹435	» ITC			
S1	S2	R1	R2	COMMENT

₹184	» ONG	C		
S1	S2	R1	R2	COMMENT
184	182	186	188	Sell the stock as it could face a decline in price; stop-loss at 186.

				stock with stop-loss at 2300.
₹553	» SBI			
S1	S2	R1	R2	COMMENT
545	540	560	565	Short now and on a rise to 558; keep a stop-loss at 562.
T0 400	\\ =			

2320 Trend is clearly bearish; short the

	21	52	KI	R2	COMMENT
,	3400	3360	3435	3475	Wait and go short if the price rises to 3435; stop-loss at 3475.

net up 46% at ₹383 crore **KR Srivats**

PNB Housing Finance Q2

PNB Housing Finance Ltd on Tuesday reported a 46 per cent increase in net September 30, 2023, at ₹383 crore (₹263 crore).

The latest bottom line was also 10 per cent higher than the net profit of ₹ 347 crore recorded in the June 2023 quarter. In the first half of this

fiscal, net profit came in at ₹730 crore, up 47 per cent year-on-year over ₹497 crore in the same period last For the quarter under re-

view, total income grew 5.7 per cent to ₹1,779 crore (₹1,683 crore). The latest total income was also higher than the total income of ₹ 1707 crore recorded in the June 2023 quarter.

"During the first half of the financial year, we have

witnessed progress across key business parameters like growth, asset quality, and profitability. Our consistent efforts have enabled us to resolve and fully recover a large corporate acin reducing our GNPA from below 2 per cent to 1.78 per cent as of September 30,

Our ROA stood at 2.14 per cent annualised for FY24. We are confident in our ability to maintain this momentum and continue the growth trajectory in the fiscal year", Girish Kousgi, Managing Director and CEO, PNBHFL, said.

While Gross Non performing asset as percentage of advances reduced to 1.78 per cent as on September 30,2023 from 6.06 per cent on September 30,2022, net NPA stood at 1.19 per cent as on September 30,2023.

RCap resolution: Legal opinion against IIHL plan to scrap ESOPs of arms

Our Bureau

A legal opinion taken by Reliance General Insurance Company (RGIC) has raised objection to Hinduja-led IndusInd (IIHL) plan to extinguish **ÈSOPs** of Reliance Capital's subsidiaries.

IIHL is the successful resolution applicant of Reliance Capital and has sought to extinguish all employee stock option plans, phantom stocks, or similar incentive schemes of Reliance Capital and its subsidiaries, including RGIC.

RGIC had sought legal opinion from top law firm Khaitan & Co. because the company has issued ESOPs to its employees.

KHAITAN'S CLAIM

Khaitan & Co., in its legal opinion submitted to the RGIC, said since benefits in the form of ESOPs, phantom



other incentive schemes, and statutory benefits such as gratuity, provident funds, etc. form part of the liabilities of the RGIC towards its employees, the same may not be dealt with or extinguished by IIHL in its resolution plan for Reliance Capital.

Khaitan & Co quoted several judgments of the Supreme Court and NCLT, which have held that even in a group company structure, both the holding company and subsidiary company continue to retain their status as separate legal entities.

Citing the judgment of the

IIHL is the successful resolution applicant of Reliance Capital and has sought to extinguish all employees stock

option plans

Vodafone International Holdings BV vs. Union of India & Others, Khaitan & Co stated that the Supreme Court held that the legal relationship between a holding company and a wholly owned subsidiary (WOS) is that they are two distinct legal persons, the holding company does not own the assets of the subsidiary, and, in law, the management of the business of the subsidiary also vests in its Board of Directors. In fact, the insolvency of the holding company per se does not directly affect its subsidiary.

Supreme Court in the case of

Nitin Golani is Byju's new CFO; Ajay Goel to return to Vedanta

Jyoti Banthia

Byju's has appointed Nitin Golani as the new chief finanbusiness. Golani will take up the new role alongside his existing responsibilities at the group level as President of Finance. After a near six-month stint at Byju's, the current CFO, Ajay Goel, is heading

back to Vedanta. Byju's has also roped in veteran Pradip Kanakia as special adviser.

Nitin Golani was previously the chief strategy officer at Aakash Education. He played a crucial role in Byju's \$1-billion acquisition of Aakashin 2021.

"I am committed to ensuring that Byju's growth is robust and sustainable. My endeavour now is to maximise shareholder value by optimising financial performance,"

Fintechs face high stress on risk buildup, fraud in unsecured portfolios: Report

Anshika Kayastha

Fintechs have done a better job of addressing the credit gap in the country than their private peers by lending more to underserved and new-tocredit (NTC) customers. However, these entities face higher risk buildup in their portfolios and are prone to higher delinquencies.

"Digital lending has grown rapidly in recent years, but some post-lending procedures that require physical effort, such as collection, have not matured that rapidly. Due to this, fintech sees an increased delinquency rate and lower roll-back," according to a report titled "Fintech-led Digital Lending: Coming of Age" by credit bureau Experian and industry body Digital Lenders' Association of India (DLAI).

Fintech sourcing from sub-

prime customers, or those with a bureau score of less than 700, continues to be higher at 26 per cent, compared with 19 per cent for the rest of the industry. Forty per cent of these sourced customers have moved to the prime $or \, super \, prime \, categories, but \,$ majority sub-prime.

NTC customers comprised 36 per cent of fintechs⁷ portfolio, higher than 24 per cent for NBFCs and 22 per cent for banks. Fintech and fintechenabled companies held 47 per cent of the market share in the less than ₹1 lakh unsecured personal loans sourced 13 per cent in FY18.

FY23 indicates that the books

built by fintechs have higher

levels of stress and "deep de-

linquency risk". Expected

as of the end of FY23, up from HIGHER STRESS LEVELS An analysis of personal loans sourced between FY19 and



Credit Loss (ECL) is estimated to be around 2 per cent higher than that with private counterparts. Further, they face challenges in collection due to their limited physical presence. As a result, fintechs face a

tough job in maintaining margins given the increased share of high-risk borrower segments. While risk-based pricing and higher loan rates address some of these issues, fintechs need to identify new revenue streams to offset their higher funding costs, such as collaborating with lenders on non-compete products, the report said. Even so, fintechs' popularity is only increasing, with nearly 27 per cent of the subsequent loans disbursed going to the same fintech lender and 34 per cent to a different lender, but staying within the fintech ecosystem. For 29 per cent of BNPL transactions, the sanction amount was over ₹20,000, reflecting high-value purchases. However, the segments

fintechs cater to have high incidence of application fraud, with the highest rate for the less than ₹50,000 segment at 5.82 per cent. Millennials, who account for the bulk of customers, had an application fraud rate of 2.27 per cent, whereas post-graduate customers had a rate of 3.06 per cent, the report showed.

Going forward, fintechs

will need to invest in fraud mitigation services and expand into asset-backed or secured product segments.

Paytm's founder launches fund to invest in AI, EV start-ups

said Golani.

KR Srivats New Delhi

Paytm founder and CEOVijay Shekhar Sharma has launched a Category II Alternate Investment Fund (AIF), "VSS Investments Fund". The fund has a total size of ₹ 20 crore with a green shoe of ₹10 crore, making the total corpus at ₹30 crore. The AIF has been sponsored by VSS Investco Private Ltd., an entity owned and controlled by Sharma.

The SEBI-approved category II AIF will target artificial intelligence, environment. sustainability-related investments (mostly EV start-ups)

that are born out of made-in-India technology. Sharma would be one of the key contributors to the fund,

along with other external

investors. The new fund will invest in artificial intelligence and electric vehicle (EV)-related startups that have been incubated in India and are specially fo-



Vijay Shekhar Sharma. Founder and CEO, Paytm

cussed on serving Indian consumers and businesses.

"The Indian start-up ecosystem has some of the brightest entrepreneurs in the world, and India's aspiration to be a \$10 trillion Atmanirbhar economy will be defined by the spirit of innovation and entrepreneurship," Sharma said in a statement.

"The launch of this fund is a continuation of my belief in supporting young and promising Indian founders, aligned with the fact that technology has a huge role to play in the development of the country."

businessline.

QUICKLY.

'Nothing concrete' with Canada's Teck: JSW Steel



New Delhi: JSW Steel's discussions with Canada's Teck Resources over buying a possible stake in its coking coal unit have yielded "nothing concrete", JSW Steel CEO Jayant Acharya told Reuters. "There is nothing concrete on Teck. We are in discussion with strategic possibilities among which Teck is one," Acharya said. REUTERS

Bitcoin hits \$35,000 for first time since 2022

Bitcoin extended a rally fueled by expectations of fresh demand from exchange-traded funds, reaching the highest price since May last year. The largest digital asset rose as much as 11.5 per cent to top \$35,000 before paring some of the gain to trade at \$34,605 as of 8:11 a.m. in New York on Tuesday, taking its year-to-date rebound from 2022's digital-asset rout to 108 per

IT firms trim revenue outlook amid foggy economic horizon

HIT BY UNCERTAINTY. Lack visibility of demand due to macroeconomic headwinds

Haripriya Sureban Bengaluru

Major Indian IT firms have trimmed their revenue growth guidance as companies lack visibility of the demand environment with macroeconomic conditions remaining uncertain.

In Q2, IT major Infosys trimmed its annual guidance from 1-3.5 per cent to 1-2.5 per cent after a deep slash in the previous quarter as well. Wipro narrowed its sequential guidance to -3.5 to -1.5 per cent from -2 to 1 per cent last quarter and HCLTech narrowed its guidance from 6-8 per cent to 5-6 per cent.

Companies have reduced revenue growth guidance, as revenue growth is moving on a slower momentum with deal bookings not immediately translating to revenues and discretionary spending not picking up.

Infosys CEO Salil Parekh noted, "The discretionary and large transformation programmes have reduced significantly, and decisionmaking continues to be slow. The volumes are still



• WHY REVISE

quarter with higher

furloughs and limited

billing, which result in

companies revising on

posure to consulting is be-

ing killjoy.Omkar Tanksale,

Research Analyst at Axis

tions and geopolitical ten-

sions still stretching, enter-

prises are uncertain if an

economic downturn would

hit. This leads to lack of vis-

ibility on deal billing and

deal ramp-ups for IT com-

panies. Thus, the guidance

condi-

the guidance front

Securities, said,

macro-economic

Q3 is a seasonally-weak

Revenue growth guidance (in %) 1 to 2.5 1 to 3.5

Winro -3.5 to -1.5 -2 to -1

5 to 6

HCLTech

LTTS 17.5 to 18.5

under constraint and the guidance is given based on these factors.

BEARISH SENTIMENT Similarly, Wipro remained

bearish as the company was seeing the impact of the slowdown on multiple verticals such as consumer communications, technology, and more so in BFSI. Additionally, high ex-

has been trimmed." In North America, one of the highest revenue-contributing regions for Indian IT firms, inflation rates remain high, reflecting an effect on tech spending. Additionally, Q3 seasonally-weak quarter with higher furloughs and limited billing; these factors, too, result in companies being modest on the guidance front, he added.

MID-TIER FIRMS HIT Not just the top-tier IT companies, mid-tier IT firms too have cut their guidance. L&T Tech Services reduced guidance from 20 per cent to 17.5-18.5 per cent, as it sees continued caution in the market and decision-making re-

mains slow. Bengaluru-based Happiest Minds has reduced the guidance to 12 per cent on an organic basis, as the company has not been able to close acquisitions in the last two quarters. Previously, it had guided 25 per cent revenue growth for the year, without making a distinction between organic and inorganic growth.

Then & Now: An update on past winners of Changemaker awards

How 'Padman' Muruganantham fought taboos around menstruation

2020 WINNER.

Iconic Changemaker Arunachalam Muruganantham

Parvathi Benu

he force with which the evil arrived on earth, locking up people in their houses and killing many, appeared in-comprehensible to Arunachalam Muruganantham.

Perhaps, that could be why he calls Covid an 'Asura', a power-seeking demon that always battles the benign deities, according to Hindu mythology.

"No one could have thought that Corona would crumble the whole world," he says.

JOURNEY SO FAR

As for most, it brought down his world too, for, in many ways, he was back to square

Unfortunately for him, this was a few days after he was awarded businessline's Iconic Changemaker award in 2020. Muruganantham, popularly known as 'Padman', is a social entrepreneur who makes low-cost sanitary napkins, particularly for rural women. The goal was to stop them from following unsanitary practices during menstruation and break the taboo around periods.

The journey was arduous. He was ridiculed, called a pervert and a lunatic, and was even ostracised by his wife and immediate family. After several attempts, beginning in 1998, he succeeded in making a leak-free, affordable sanitary napkin in

Acceptance came to Muruganantham quite late and he shot to fame in 2018 when R Balki made a film titled Padman, based on his life. Akshay Kumar essayed the role of Muruganantham. Now, Muruganantham runs Jayaashree Industries, a company in Coimbatore that manufactures sanitary napkin-making machines.

FEARING THE WORST Everything came to a stand-

still on March 25, 2020, the first day of the nationwide Covid lockdown.

People's movements were from home, while countless others abruptly lost their

jobs. Muruganantham says that that period was grim, especially for menstruators, and that many of them whom he knew, went back to using dirty rags during their cycle.

"I was devastated. For once, it seemed all my efforts were going down the drain," he says. "It doesn't matter if they lived in a containment zone or not, no one cared about what women went through during their periods. The pervasive taboo around menstruation led women to hesitate seeking assistance from male family members to buy sanitary napkins," he

Around this time, Murugnantham turned quite vocal, urging the Centre to declare sanitary napkins an essential commodity. At around the time of *Padman*'s release, the Centre announced a GST exemption on sanitary napkins.

"All this made India a frontrunner in spreading awareness about menstrual hygiene. All this effort might go to waste if we don't take necessary follow-up steps now," he said in March 2020.

Subsequently, toward the end of March 2020, during the lockdown, the Ministry of Home Affairs added sanitary napkins as an essential

BOUNCING BACK

Amidst the chaos and uncertainty, Muruganantham asserts that he and his team never stopped producing sanitary napkins.

"There was a brief halt in between when the women in our units stopped working during the pandemic. How-



ever, we were adamant on continuing what we were doing. We pushed ourselves harder," he says.

In fact, he says that they set up more manufacturing units during that time.

Muruganantham's pads were a hit in rural India, primarily due to their affordability.

He says that a pad costs somewhere between ₹1 and

THE CHANGE

"We do not follow a 'one size fits all' approach. Periods differ from person to person. Some may bleed heavily throughout their cycle, but for others that could occur for just a couple of days. That's how we make our products. Women can buy them from pad makers, depending on their needs," he says, while not missing an opportunity to criticise MNCs for packaging a bunch of napkins of the same kind. "I have brought the cost of the machine and the product down and spread the message far and wide, without a dealer, distributor or a brand ambassador," he says, proudly.

The Changemaker awards will take place in New Delhi on November 3. The presenting partner of the event is Sastra University. Associate Partners: Life Insurance Corporation of India (LIC), Casagrand, Gujarat Mineral Development Corporation, Punjab & Sind Bank, United India Insurance; Banking Partner: J&K Bank; Online Grocery Partner: Big Basket; Tourism Partner: Bihar Tourism; Television Partner: NewsX; Knowledge Partner: Ashoka & Deloitte; Valida-Partner: tion Consulting.

The Changemaker Awards 2023 will take place in New Delhi on November 3

India, a potential global leader in battery-swapping tech

Isha Rautela

Over the past five years, the battery-swapping technology sector has raised \$16,17,61,883 in funding, underscoring the significant demand and potential. It also positions India as a potential global leader in implementing this technology on a large scale, say industry experts.

NOTABLE START-UPS Recent years have witnessed

increased investor interest in this space, with approximately \$135 million raised since 2021 across 17 funding per data from Tracxn. Although battery-swap-

ping technology is still in its early stages in India, its potential for adoption in the Indian market, particularly for two- and three-wheelers, is road, the battery-swapping optimistic. With an estim-

Nvidia Corp is using Arm

Holdings Plc technology to

develop chips that would

challenge Intel Corp pro-

cessors in personal com-

puters, potentially ratchet-

ing up competition between

the two semiconductor

makers, according to people

Nvidia, whose artificial

accelerator

familiar with the situation.

chips already dominate that

Microsoft Corp's Windows

operating system and go on sale as soon as 2025.

Nvidia, AMD take on

Intel with Arm-based

processors for PCs



ROOM FOR GROWTH. Battery-swapping market in India is estimated to be about \$2 billion and could potentially grow to around \$17 billion REUTERS

ated three million e-rickshaws and two million electric two-wheelers on the market in India is estimated

logy, according to the

people. They also would de-

but as early as 2025. Nvidia

is an increasingly formid-

Nvidia's market value

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passed \$1 trillion earlier

able rival.

this year.

to be close to \$2 billion and could potentially grow to around \$17 billion. a 60-65 per cent CAGR, said Pulkit Khurana, CEO and co-

Today, the country has the opportunity to replicate what's being developed in India in the eastern and western markets, where many Indian OEMs are trying to establish a footprint. Experts believe that the

founder of Battery Smart.

swapping technology could contribute to a 30-40 per cent growth in EVs in India, provided there are government mandates, subsidies, interoperability and safety assurances, and batteryswapping roadmaps for different segments, as outlined in a report titled "Investor Perspectives on Accelerating Growth in the Indian EV Ecosystem."

Arun Sreyas Reddy, cofounder of RACE Energy, added that battery swapping has the potential to reduce the import of lithium, a key raw material, to some extent while also addressing the issue of battery recycling.

However, the sector faces many challenges, including investments.

CHALLENGES GALORE

Industry estimates suggest that by 2027, 50 per cent of two- and three-wheelers will be electrified, increasing to 80 per cent by 2030 requiring "around \$50 billion and the establishment of more than 50,000 battery-swapping stations," said Anant Badjatya, CEO of SUN Mobility. Similarly, Battery Smart,

operational for the past three years and in 25 cities, facilitates about 75,000 daily A major investment chal-

lenge lies in the batteries themselves. "For instance, to serve one

lakh customers, a company would need around \$200 million in just assets. For a million customers, that translates to around \$2 billion," Khurana added.

APPOINTMENTS



Mumbai: 23.10.2023

NEW MANGALORE PORT AUTHORITY PANAMBUR - MANGALORE KARNATAKA - 575010 Ph. 0824-2407419

INVITIES

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Deputy Conservator



Core-4, 5th Floor, South Tower, District Centre, Scope Minar, Laxmi Nagar, Delhi - 110092

Engagement of Company Secretary for KABIL

Khanij Bidesh India Ltd. (KABIL) is a joint venture company of three Central Public Sector Enterprises under Ministry of Mines, Government of India namely, National Aluminium Company Ltd. (NALCO), Hindustan Copper Ltd. (HCL) and Mineral Exploration and Consultancy Ltd. The company was set up in 2019 with presen authorized capital of Rs 500 crores. The objective of the company is to identify explore, acquire, develop, mine, process, procure and sell strategi minerals outside India.

With an eye to scale greater heights and carve a niche for itself, the company intends to engage a Company Secretary with profound and versatile experience to give necessary momentum to achieve vision & mission of the Company

Last date of receipt of hardcopy of application along with documents-24.11.2023

For further details, kindly visit career page of www.nalcoindia.com

General Manager (H&A)-R&P Advertisement No.K/01/2023

NaBFID

National Bank for Financing Infrastructure and Development www.nabfid.org

RECRUITMENT OF OFFICERS (ANALYST GRADE) IN NaBFID ON REGULAR BASIS ADVERTISEMENT NO: NaBFID/REC/ANA/2023-24/01

National Bank for Financing Infrastructure and Development (NaBFID), set up under the NaBFID Act, 2021, is the principal entity for infrastructure financing in the country. The entity is regulated and supervised as an All-India Financial Institution (AIFI) by the Reserve Bank of India (RBI). NaBFID is poised to play an extremely crucial role in supporting infrastructure funding by driving the development of innovative financing instruments and development of bond and derivatives markets and promoting best practices in financing and data-

Online Applications are invited from Indian Citizens for appointment in Analyst Grade at NaBFID on Regular Basis

ı	S.No.	Post	Vacancy	S.N	o.	Post	Vacancy
	1	Lending Operations	15		'	Legal	2
	2	Human Resources	2	-	3	Internal Audit & Compliance	3
	3	Investment & Treasury	4	9)	Company Secretariat	2
	4	Information Technology &	4	10)	Accounts	2
ı		Operations		11		Strategic Development and	4
	5	General Administration	7			Partnerships	
ı	6	Risk Management	10	12	2	Economist	1

- 1. For eligibility criteria (age, experience, job profile etc.), vacancy details, requisite fee and other details, please visit the Bank's website https://nabfid.org/careers or scan the QR code. For online submission of application as well as online payment of application fee/ intimation charges, please click on the "Apply Online" link provided on the Banks website.
- 3. The annual fixed compensation for Analyst grade, appointed in the service of the Bank will be Rs 14.83 lakh (approximately). Other information is in the Detailed advertisement on the Banks website 4. Any addendum / corrigendum / modification in this regard will ONLY be available on the Bank's website

2. Refer detailed advertisements to ensure eligibility and other details before applying and remitting fees.

5. Selection will be solely at the discretion of the Bank and its decision will be final. DATE FOR FILING ONLINE APPLICATION & PAYMENT OF FEES: FROM 23.10.2023 TO 13.11.2023.

Executive Vice President (HR)

market, is quietly working on central processing units for PCs, said the people, who asked not to be identified. The CPUs would run

intelligence

Bloomberg

Reuters previously reported on the effort, which sent shares of Arm up as much as 8.4 per cent in New York. Intel dropped 4.4 per cent , while Nvidia gained as much as 4.5 per

STIFF COMPETITION

The move would attack Intel's home turf at a difficult time for the pioneer of PC processors. Under Chief Executive Officer Pat Gelsinger, Intel has been fighting to regain market share and its technological edge. It already faces competition in PC chips from longtime rival Advanced Micro Devices Inc, as well as Qualcomm Inc, which has expanded from phone chips to laptop processors.

AMD is also developing PC chips with Arm techno-

KERALA ROAD FUND BOARD

Request for Proposal for engaging Transaction Advisory Services for KCRIP Phase 1(B) - Mananchira - Vellimadukunnu Road

KRFB invites Request for Proposal from qualified and experienced firms for providing Transaction Advisory Services for Kozhikode City Road Improvement Project Phase 1 (B) Mananchira Vellimadukunnu Road.

Last date for application is 25.11.2023, For further details, log on to www.krfb.org. **CEO KRFB** (RO/02546/D3/2023/I&PRD)

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Head (Purchase), KCC

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पिंपरी, पूणे-411018

स्थापत्य प्रकल्प विभाग निविदा नोटीस क्रमांक-39/03/2023-2024 शुद्धीपत्रक -2

सदर निविदेमधील खालील कामांचा स्विकृती दिनांक-01/11/2023 द. 3.00 वाजेपर्यंत वाढविणेत येत आहे.

निविदा स्विकृती दिनांक व वेळ	कामांचा अनुक्रमांक
दिनांक -01/11/2023 वेळ- दु.3.00 वाजेपर्यंत	1, 2 অ 3

इतर तपशिलात कोणताही बदल नाही.

एकूण 3 कामे

दि. 20/10/2023

क्र.स्था/नि/१४/कावि/413/2023

तांत्रिक लिफाफा दि. 01/11/2023 रोजी द्. 3.00 वा. (शक्य झालेस) उघडणेत येईल.

(प्रमोद ओंभासे) सह शहर अभियंता

पिंपरी चिंचवड महानगरपालिका पिंपरी, पुणे- 411018

सही/-



Gold slipped easing further from the highs hit last week due to the Middle East tensions, weighed down by higher dollar and bond yields as traders positioned for more US economic data. Spot gold was down 0.6 per cent at \$1,960.50 per ounce. US gold futures fell 0.8 per cent to \$1,971.80. REUTERS

Malaysia to allow exports of processed rare earths

Kuala Lumpur: Malaysia will allow exports of only processed rare earths and prohibit shipments of rare earth raw material, its science and technology minister Chang Lih Kang said on Tuesday. In September, Malaysia said it will develop a policy to ban exports of rare earth raw materials to avoid exploitation and loss of resources. REUTERS

Brazil's sugar production seen at record 42.6 mt



Sao Paulo: Sugar production in center-south Brazil for the 2024/25 (April-March) season should reach a record 42.6 million tonnes (mt), with mills heavily favouring production of the sweetener over ethanol. consultancy Datagro said. The projected record would come with a greater allocation of sugarcane for making the sweetener, with Datagro also projecting a drop in sugarcane crushing next season. REUTERS

V Sajeev Kumar

Unfavourable climatic condi-

gions hit arrivals at the

Coonoor tea auctions last

the rains and winter setting

in early, traders said. Though

the North-East monsoon has

set in, any deficiency is likely

to further impact production,

they said, adding that the on-

going conflict in West Asia

between Israel and Hamas

had impacted trade in ortho-

dox leaf shipments, Ortho-

dox leaf witnessed a drop in

In sale 42, of the 18,94,166

kg offered in the leaf cat-

egory, 85 per cent was sold,

while in dust grades, of the

sales percentage.

Plucking was affected by

NCEL begins exporting white rice

EXECUTING ORDERS. The co-op export firm ships 3,950 tonnes to Mauritius at c.i.f. value of \$548.33 a tonne

Subramani Ra Mancombu

The newly set-up Indian cooperative export body National Cooperative Exports Ltd (NCEL) has begun to execute its non-basmati white rice orders by shipping its first consignments to Mauritius.

Of the 14,000 tonnes permitted by the Indian government to be exported to the east African nations, NCEL has shipped 3,950 tonnes so far, data made available to businessline showed.

These shipments have been done at \$483.23 a tonne to Mauritius State Trading Corporation under a government-to-government (G2G) deal. However, the landed cost, including cost, insurance and freight, is \$548 33 a tonne

On Monday, Union Home and Cooperation Minister Amit Shah said NCEL has got export orders worth ₹7,000 crore, while orders worth ₹15,000 crore are under negotiations. At least 50 per cent of the export profits of NCEL will go to farmers, he told a national symposium on cooperative exports.

NO EXPORT DUTY

Mauritius was among the initial three countries -Bhutan and Singapore being the other — which were permitted by the Centre to buy non-basmati Indian rice under G2G deals. The Directorate-General of Foreign Trade issued the permits on August 30. No export duty has been imposed on these consignments.

While imposing a ban on export of non-basmati white rice on July 20, the Centre said it would permit G2G exports to ensure food security of vulnerable nations. In the case of Singapore, exports were permitted in view of India's good rela-



STRONG ORDER BOOK. NCEL has got export orders worth ₹7,000 crore, while orders worth ₹15,000 crore are under negotiations

tions with it. "For a startup and nascent organisation such as NCEL, this is an excellent start. Having said that, the global rice trade is a supplier market now. NCEL could have used the opportunity to sell the rice at a higher price," said S Chandrasekaran, a trade

SALES AT DISCOUNT He said the cooperative export body could have increased the prices by at least

\$75 a tonne in the consign-

ments sent to Mauritius. "Each additional dollar earnings of NCEL will enhance the income of farmers," the trade analyst said.

Indian rice was sold at a discount to Thai rice, while shipping charges were \$28/ tonne to Port Louis from Mundra compared with \$69 from Bangkok to Port

"NCEL should look for higher margin spread for each market unless it decides its pricing based on food security of importing nations and diplomatic considerations,' Chandrasekaran said.

Currently, Thailand is quoting \$583 a tonne for 5 per cent broken white rice, while 25 per cent broken is quoted at \$558.

However, a section of exporters are aggrieved that shippers are not being allowed to export. "We have made investments in men and machines. It should not be wasted," said a Southbased exporter, speaking on the condition of anonymity.

Chandrasekaran suggested amendment in paragraph 2.01 of Foreign Trade Policy (FTP) to include NCEL in the list of appendix to avoid legal problems.

"Though every notification of DGFT relating to white rice export permitted through NCEL reads in accordance to the 2.01 of the Foreign Trade Policy, 2023, NCEL is not in the list of Appendix 2J of FTP," he

N-E monsoon may find its feet after blowout triggered by twin cyclones



RAIN WATCH. Kerala and adjoining southern parts of Tamil Nadu will continue to witness light to moderate rain until Wednesday morning as very severe cyclone Hamoon prepared to wallop the Bangladesh coast by Tuesday evening www.meteologix.com/in

Vinson Kurian Thiruvananthapuram

Erstwhile extremely severe cyclone Tej over the Arabian Sea made landfall as a weakened very severe cyclonic storm on Tuesday morning, while its Bay of Bengal cousin, very severe cyclone Hamoon, will have weakened as a severe cyclone and further as a cyclone while approaching the Bangladesh coast for landfall

in the evening. This wraps up the early flourish over the peninsular seas in the form of powerful storms along with commencement of the North-East monsoon, that took a hit in the bar-

LANDFALL SCENARIOS

India Meteorological Department (IMD) said Tej lay centred over Yemen, about 60 km West of Al Ghaidah (Yemen) and 290 km West-South-West of Salalah (Oman) around noon, while Hamoon was parked about 330 km East of Paradip (Odisha); 290 km East-South-East of Digha (West Bengal); 190 km South of Khepupara (Bangladesh); and 305 km South-West of Chittagong (Bangladesh) by evening. Hamoon will have

weakened twice over before crossing Bangladesh coast between Khepupara and Chittagong as a cyclone with wind speeds of 65-75 km/hr gusting to 85 km/hr.

RAIN FOR NORTH-EAST While Tej reigned too far away

from the Indian coast for any direct impact, Hamoon has brought rain to parts of East India and prospectively to the North-Eastern States. Light to moderate rain is likely at many places over Mizoram and Tripura on Thursday. Light to moderate rain is likely at many places over Nagaland and Manipur from Tuesday to Thursday and over East Arunachal Pradesh on Wednesday and Thursday.

MONSOON PROSPECTS

The North-East monsoon is expected cover more parts of these States from the monthend and into early November, according to a short-term outlook from the IMD.

The IMD has indicated the possibility of fairly widespread light to moderate rain over southern Tamil Nadu and Kerala and Andhra Pradesh on October 30 and 31, while it would be isolated light to moderate over the Andaman & Nicobar

Centre may lower basmati rice MEP to \$950/t

Our Bureau

The Union government has agreed to lower the minimum export price (MEP) for basmati rice shipments to \$950 a tonne from \$1,200 fixed on August 25, official sources said.

The Commerce Ministry has decided to register basmati rice exports with shipments value of \$950/tonne for issuing registration-cum-allocation certificates, the sources, who did not wish to be identified,

An exporter source said Commerce Minister Piyush Goyal had agreed to cut the

+ Tea arrivals at Coonoor auctions

5,38,836 kg offered, 87 per

Global Tea Auctioneers

said in orthodox leaf, primary

whole leaf grades had fair de-

mand and sold dearer by ₹3-4

per kg. The brokens were

easier by ₹2-3, with some

withdrawals. Secondaries

and fannings were also lower

High-priced teas in CTC leaf

grades had fair demand and

HIGH-PRICED TEAS

cent was sold.

hit by unfavourable weather

MEP to \$950 at a virtual meeting with exporters held under the auspices of the All India Rice Exporters Association

The Directorate-General of Foreign Trade will come out with the order soon, the sources said.

STRIKE WITHDRAWN

On October 20, exporters led by the AIREA withdrew their boycott of basmati rice procurement from agricultural produce marketing committee (APMC) yards following an assurance from the Centre it could consider reviewing the

The exporters have been de-

sold dearer by ₹8-10. The bet-

ter liquoring sorts were barely steady to occasionally

easier by ₹1-2. Better me-

dium sorts were dearer by ₹1-

The mediums and plainer

In CTC dust, high-priced

sorts brokens and fannings

were easier by ₹1-2, while

and better liquoring sorts were lower by ₹8-10. The bet-

ter medium sorts were easier

The mediums and plainer

sorts were also easier by ₹1-2

and more at times, with fair

In the dust orthodox cat-

egory, the primary grades had good demand and sold dearer

by ₹10-15 and much more at

times, in line with quality.

The secondaries and finer

dusts were lower by ₹1-2.

by₹1-2.

withdrawals.

bolds sold lower by ₹1-2.

manding that the MEP be cut to at least \$900 a tonne. A month ago, Goyal had told a virtual meeting of exporters that the floor price of basmati rice exports would be cut to

However, it did not happen and the Centre issued a statement that the \$1,200 MEP would be in place "until a decision is taken on the free-onboard value"

'ILLEGAL EXPORTS'

Akhil Nallamuthu

Aluminium futures on the

Multi Commodity Exchange

(MCX) has been trading flat

over the past week. It was

largely held between ₹201 and

Prior to this sideways move.

So, as the contract has now

taken a horizontal path, the

downtrend can be assumed to

Moreover, aluminium fu-

tures has a strong support

band of ₹200-202 that can be

seen clearly on the daily chart.

On the back of this support,

we expect the contract to per-

form a recovery. While ₹205

are at their peak since farm-

ers in the area prefer to sell

as soon as the crop is

in Gujarat has increased to

2.66 lh from 2.22 lh last year.

said farmers find the crop in-

put cost for the farmer was in

soyabean low, and they did

not have todepend on la-

bour, as mechanised harvest-

ing was more cost effective-

The current MSP for

groundnut is ₹6,379 per

quintal, while the current

mandi price of good quality

(FAQ) produce is pegged

near MSP, between ₹6,250

The SEA team met farm-

ers, oil millers, solvent ex-

traction units, traders, com-

mission agents and brokers

in several places in Sauras-

htra, including Gondal, Am-

reli, Junagadh, Keshod, Man-

grol, Porbandar and Advana,

during October 20-22.

The area under soyabean

On the reasons for this, he

harvested.

for them.

and ₹6,500.

COMMODITY

the contract saw a decline.

have lost momentum.

CALL.

bl. research bureau

The statement said the MEP was necessitated as the government "received credible field reports regarding misclassification and illegal export of non-basmati white rice"

stop-loss at ₹200

"It had been reported that non-basmati white rice was being exported under the HS code of Basmati rice," the Centre said. Exports of nonbasmati white rice have been banned from July 20, while shipments of parboiled rice attract 20 per cent export duty.

A section of the trade feels \$905-1,000/tonne for basmati rice is working, while another says it should not be lowered than Pakistan's MEP of \$1,102.

"We cannot afford to offer basmati at a lower price than Pakistan since we command a premium," said an exporter, who did not wish to be

can be a minor hurdle, the con-

That said, if the price falls

below the support at ₹200, alu-

minium futures can be expec-

ted to see a leg of downtrend.

Notable support below ₹200

We recommended initiating

long positions at ₹206 with

stop-loss at ₹200. Hold this

From here, when the con-

tract rallies to ₹212, tighten

the stop-loss to ₹208. Book

But as it stands, the likeli-

are at ₹195 and ₹192.

TRADE STRATEGY

trade.

profits at ₹215.

hood of a recovery is high.

tract can see a rally to ₹215.

Currently, basmati varieties such as 1121 and 1509 varieties are arriving in the market. The Pusa basmati will hit the market soon, while pure basmati will likely arrive in December. A section of the growers told

businessline that this year the basmati crop may be affected with the yield likely to be lower. However, traders say the crop should be good with the standing crop on farms being healthy.

According to the Agricultural and Processed Food Products Export Development Authority (APEDA) survey last vear, basmati was cultivated on 16.31 lakh hectares across the

Retain longs in aluminium, | Centre releases first tranche of domestic _ sale quota of 15 lt of sugar for November

Our Bureau

The Government has released the first tranche of November lakh tonnes valid till November 15, 2023.

In a notification issued on Monday (October 23), the Ministry of Consumer Affairs released the first tranche of domestic sales quota of 15 lakh tonnes for November 2023 for 562 sugar mills with immediate effect.

The sugar mill wise maximum quantity of white/refined sugar for domestic sale and dispatch during November 2023, the first tranche has been worked out on following parameters.

The November 2023 stock holding limit of the first tranche has been worked out



Recently, the Centre restricted sugar exports for an indefinite period to ensure sufficient availability for domestic consumers at reasonable price

on the basis of giving 100 per cent weightage to the month end notional stock for October 2023, the notification said.

CURBS ON EXPORTS

Ninjacart goes for brand revamp,

The notional month-end stock for October 2023 has been worked out on the basis of the month-end stock for September 2023 and subtracting the release of October 2023, the notification said.

Recently, the Centre has imposed curbs on sugar exports for an indefinite period to ensure sufficient availability of sugar for domestic consumers at reasonable price throughout the year. This is also expected to help ensure healthy stocks of sugar in the country and maintain consistency in India's efforts towards greener fuel under ethanol

blended fuel programme.

Gujarat groundnut harvest likely to be 11.5% higher despite drop in area

Mangaluru

Gujarat is expected to harvest 33.45 lakh tonnes (lt) of groundnut during the current kharif season as against 30 lt in the previous kharif season, registering 11.50 per cent growth.

However, groundnut acreage in Gujarat has declined by 74,000 hectares (4.33 per cent), according to the Groundnut Kharif Crop Survey 2023 conducted by the Solvent Extractors' Association of India (SEA).

BV Mehta, Executive Director of SEA, said groundnut is one of the major kharif crops, and Gujarat a leading

producer. The SEA Groundnut Promotion Council has conducted crop surveys over the last 14 years to assess the size

and quality of the crop. The SEA team had visited a number of farms in Saurashtra, from where random

samples were drawn. Counting of the pods, size and distance between two rows was The maturity and quality

of the pods was also studied. "By applying a scientific matrix, the per hectare yield of each field was arrived at to estimate production," he

According to the Gujarat government, the kharif groundnut crop was sown on 16.35 lakh hectares (lh) during 2023-24, against 17.09 lh in 2022-23.

He attributed the reduction to the shift in acreage from groundnut to cotton, soyabean and other crops.

The all-India groundnut kharif acreage was reported at 43.91 lh during 2023-24, against 45.54 lh in 2022-23, down by 1.62 lh (3.58 per

RAIN SPELLS HELP He said the average yield per

hectare had increased by 16.52 per cent to 2,045 kg/ha



The average yield has increased by 16.52 per cent

to 2,045 kg per hectare this year

in Gujarat, against 1,755 kg. Heavy rains in June and July and water conservation helped farmers overcome the dry spell in August.

Crude oil stays broadly stable amid weak economic data Arrivals in North Gujarat

Reuters

Crude oil prices were broadly stable on Tuesday following the previous session's dip after a flurry of economic data from Germany, the wider euro zone and Britain sketched a bearish picture which could weigh on oil demand.

Brent crude futures were up 9 cents at \$89.92 a barrel by 0847 GMT, while US West Texas Intermediate crude futures inched up 4 cents to \$85.53 a barrel.

Both oil benchmarks fell more than two per cent as diplomatic efforts in the Middle East, the world's biggest oil-supplying region, intensified to contain the conflict between Israel and Hamas.

In the US, crude stockpiles were expected to have risen last week, a preliminary Reuters poll showed on Monday.

Our Bureau Agtech firm Ninjacart has

Bengaluru

gone for a brand revamp as it transforms itself from a fresh produce supply chain company to an agri-marketplace platform.

The brand revamp marks a pivotal moment in Ninjacart's mission to create a brighter, more sustainable future for all involved in the agri value chain, the company said in a statement.

The vibrant colour palette reflects nature's elements and the promising future of the agri community, emphasising inter-connectedness in the food supply chain, Ninjacart said.

OTHER BRANDS This commitment extends

to their affiliated brands: Ninja Mandi, which employs technology and innovation to drive growth in



changing to agri-marketplace platform

Marketing, Ninjacart

the reseller ecosystem; Ninja Global, serving as a dynamic hub for secure global trade, bringing together buyers, sellers, freight forwarders, and financial partners; Ninja Kirana, dedicated to fasttracking the growth of small business owners, and Ninja Kisaan, focused on enhancing the lives of farmers through innovative solutions.

'In the campaign, we are lifting the veil off the unsung heroes who run an in-

visible relay race every day to make sure delicious food reaches our plates. This film is a tribute to all the agri citizens who have trusted us in the past eight years and have made us who we are today," said Hemanth Vasudevan, Head of Marketing, Ninjacart. "The rebranding rein-

forces our commitment as 'True Partners' for every agri stakeholder in the agricultural value whether a farmer, trader, retailer, importer or exporter. We're dedicated to providing commerce, credit, and fulfilment opportunities, building stronger relationships with existing clients and resonating with potential partners who share our vision.

"Our mission is clear: to enhance lives, create opportunities, and foster a sustainable, prosperous future for all agri citizens through an efficient agri trade network," Vasudevan

ND-NDE

WEDNESDAY - OCTOBER 25 - 2023

QUICKLY.

Corporate funding in solar surges to \$28.9 b in Jan-Sep

New Delhi: The corporate funding in the global solar sector rose 55 per cent to 28.9 billion during January-September 2023, mainly due to the push to meet energy transition objectives, Mercom Capital has said. The global corporate funding was \$18.7 billion in the first nine months of 2022, the research firm said in its latest report. Despite inflationary challenges, financing in the solar industry has remained robust through the first three quarters of 2023, Mercom Capital Group CEO Raj Prabhu said. PTI

83% consumers disapprove of convenience fees online

New Delhi: Around 83 per cent of consumers disapprovingly pay convenience fees online platforms for booking tickets or any other service, online survey firm LocalCircles said on Tuesday. According to the survey, 84 per cent of respondents want the government and its public sector units like IRCTC to stop charging service charges and promote Digital India. PTI

PM SVANidhi scheme is a gender equaliser: SBI report

MORE POWER. Share of women availing loans at 43%; PSUs' role key in reaching milestone

Our Bureau

The share of females in the PM Street Vendor's AtmaNirbhar Nidhi (PM SVANidhi) scheme at 43 per cent indicates the empowerment of entrepreneurial capabilities among urban women, according to a report by the State Bank of India's economic research department (ERD).

This empowerment of urban females makes the scheme a gender equaliser, it added. That almost 75 per cent of the loan beneficiaries come from "non-general category" is a testament to the innate power of well-intended policy schemes to seed transformative changes, the ERD said in a report.

70 LAKH LOANS

The scheme, which was launched on June 1, 2020, is a



LENDING A HAND. Around 70 lakh loans have been disbursed so far, benefiting over 53 lakh street vendors MOORT

₹20,000 is 68 per cent. The ra-

tio of people repaying a second

loan of ₹20,000 and taking a

third loan of ₹50,000 is 75 per

cent, per the ERD's assess-

ment. "However, the spending

patterns of the poor are the

same for those in the bottom

quintile... Poverty has no reli-

gion, caste, creed or gender,"

said Soumya Kanti Ghosh,

Group Chief Economic Ad-

micro-credit scheme for urban street vendors that aims provide collateral-free working capital loans up to ₹50,000 in incremental tranches. So far, around 70 lakh loans have been disbursed in all three tranches, benefiting over 53 lakh street vendors, with a total value exceeding ₹9,100 crore, the ERD said in its special report.

The ratio of people repay-The average debit card ing the first loan of ₹10,000 spending of PM SVANidhi acand taking the second loan of

count holders increased by 50 per cent to about ₹80,000 in FY23 as compared to FY21. Meaning, in just two years, the average spending per annum increased by about ₹28,000, with a rather small amount of seed capital infused into informal urban entrepreneurs. Under the scheme, regular repayments are incentivised with a 7 per cent interest subsidy, and digital transactions are rewarded with cashback up to ₹1,200 per year.

As per the PM SVANidhi dashboard, around 5.9 lakh borrowers are in 6 megacities, and 7.8 lakh borrowers come from the top 10 million-plus population cities."It is noteworthy that public sector banks have played a pivotal role in achieving this milestone through their support of the first-ever micro-credit scheme designed for the urban poor socio-economic section," Ghosh said.

GOING GREEN

ergy outlook report.

Rishi Ranjan Kala

The project pipeline of the

production linked incentive

(PLI) scheme, under which

India is offering around \$2.5

billion for expanding solar

PV module manufacturing,

suggests that its domestic

production capacity can

surpass 70 gigawatts (GW)

expanding its production

capacity to meet domestic

needs and to export solar

modules: projects in the

pipeline under the PLI

scheme suggest that its

manufacturing capacity could exceed 70 GW per year by 2027," the Interna-

tional Energy Agency (IEA)

said in its latest world en-

"India aims to continue

by 2027.

India, which accounts for 3 per cent of the global solar PV market, is expected to meet its 2030 target to have half of its electricity capacity be non-fossil well before the end of the decade, it added.

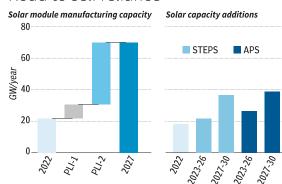
manufacturing Solar today is highly concentrated in just five countries accounting for over 90 per cent of global capacity. China is far and away the largest, with the capacity to produce solar modules with an output of over 500 GW every year, equivalent to 80 per cent of world manufacturing capacity.

The other four are Viet Nam (5 per cent of the global market), India (3 per cent), Malaysia (3 per cent) and Thailand (2 per cent). The next five leading solar manufacturers — the US, Korea, Cambodia, Türkiye and Chinese Taipei — each account for around 1 per cent of the global total, as

does the European Union. "If the new solar PV module manufacturing capacity under the PLI programme comes fully online by 2026, it would progress the solar PV module manufacturing Road to self reliance

India's solar module production

to cross 70 GW by 2027: IEA



Note: PLI-1 and PLI-2 refer to the two tranches of the PLI programme unde

capacity in India to well over what is needed until the end of this decade not just in the Stated Policies Scenario (STEPS) but also in the Announced Pledges Scenario (APS)," the IEA projected.

Solar PV module imports could continue for a few years because developers will source the cheapest panels available, as the capacity utilisation factor remains lower than the nameplate capacity, and there are lags between the nameplate capacity coming online and the panels being manufactured, shipped and installed, it said.

In FY22, India imported solar PV modules worth \$3.4 billion. Nonetheless, as domestic production ramps up, solar PV module imports will decline and it will ĥelp establish India as a reliable exporter, the IEA projected.

GROWING DEMAND

The IEA report projects that the annual electricity demand growth of around 5 per cent puts India behind only China and the US in terms of electricity consumption by 2050 in all scenarios.

China is the largest electricity consumer in the and a demand growth of over 2 per cent on average per year to 2050 means that it uses twice or more electricity as any other country, by 2050.

Rising temperatures in India has led to growing use of air conditioners, with electricity consumption from space cooling increasing 21 per cent during 2019-

At present, nearly 10 per cent of electricity demand comes from space cooling requirements.

AC DEMAND UP

"Fuelled by its geographic and meteorological conditions, air conditioner ownership in India has been steadily rising with growing incomes, tripling since 2010 to reach 24 units per 100 households," the report projected.

Residential electricity demand from cooling increases ninefold in the STEPS by 2050. By 2050, India's total electricity demand from residential air conditioners in the STEPS exceeds total electricity consumption in the whole of Africa today.

Under APS, however, electricity demand for air conditioners is nearly 15 per cent lower in 2050 as it is in the STEPS as a result of increased use of energy-efficient air conditioners and thermal insulation in buildings. This reduction itself is larger than the total electricity generation by several countries today, such as that of the Netherlands, it

Valour, commitment of armed forces main reason for India's growing global stature: Rajnath Singh

Our Bureau New Delhi

Defence Minister Rajnath Singh on Tuesday said India's stature has grown globally and one of the reasons is the valour and commitment of the armed forces. The Minister's assertion on Tuesday came during his two-day trip to forward posts at Bum La Pass close to the Line of Actual Control (LAC), overlooking China in Àrunachal Pradesh's Tawang

In the back drop of the Israel and Hamas conflict and continued war between Russia and Ukraine, Rajnath Singh asserted that there is no option but to bolster the country's security apparatus, underlining

that all efforts are being made by the government to strengthen the nation's military prowess through indigenous production of defence equipment. The valour and commitment of the Armed Forces is one of the main reasons that India's stature has grown on the international stage, and it is now among the most powerful nations, he told the troops.

MAKING STRIDES

"Under the visionary leadership of Prime Minister Shri Narendra Modi, giant strides have been made towards 'Aatmanirbharta' in defence. Earlier, we used to rely on imports to upgrade our military. But today, a number of major weapons and platforms are be-



SCOPING OUT. Defence Minister Rajnath Singh during a visit to Bum La, in Tawang, Arunachal Pradesh, on Tuesday PTI

ing manufactured within the country. Foreign companies are being encouraged to share their technology and produce the equipment in India with domestic industry. In 2014, the value of defence exports was about ₹1,000 crore, but today we are exporting defence equipment worth thou-

the 4 Corps Headquarters at Tezpur in Assam and reviewed

the operational readiness of the formation, deployed in one of the easternmost parts of the country. He was briefed on the infrastructure development along the LAC and the employment of cutting-edge military equipment and

sands of crores," he said.

Accompanied by Chief of

Army Staff General Manoj

Pande and other senior of-ficers, including General Of-

ficer Commanding-in-Chief

(GOC-in-C) Eastern Command, Lt Gen RP Kalita, the

Defence Minister celebrated

Dussehra with troops and per-

formed Shastra Puja at

Tawang. The Minister earlier visited

HAPPY DUSSEHRA!



BURNING BRIGHT. Effigies of demon king Ravan, Meghnad and Kumbhakaran set ablaze as part of Dussehra celebration at Red Fort, in New Delhi, on Tuesday SUSHIL KUMAR VERMA

Ahead of Diwali, warning issued on

illegal import of foreign-made fireworks

CRACKDOWN. Officials conducting a raid at an illegal fire

crackers godown in Puducherry on Monday SINGARAVELOUT

Goa's green cess haunts metal, mining firms

After allegations of price cartel and export of large scale iron ore to China, steel companies are now facing the new challenge of Green Cess levied by Goa and Guiarat.

The one-of-its-kind cess will not only push up the cost for steel companies but also put a spoke in the ambitious 'Make in India' plan of the Modi government, and could lead to largescale cheap imports from China.

The State government of Goa has enacted "The Goa Cess on Products and substances causing pollution (Green Cess) Act 2013" and levied Green Cess on industries using or transportation of Coal, Coke and other similar substances causing pollution. The levy would be 0.5 per cent of the sale value.

Many low-grade iron ore



Barges loaded with iron ore anchored in River Mandovi, Goa (file photo) ATISH POMBURFEKAR

miners in Goa including JSW Steel subsidiary South West Ports, Vedanta, Goa Carbon and Zuari Agro Chemicals had challenged the legislative competence of Goa government to enact the Goa Cess in the High Court of Bombay, Goa Bench.

Late last month, the High Court upheld the constitutional validity of the Green Cess Act. Following this, the petitioners have moved the Supreme Court. A similar green cess by the Gujarat government has also been challenged in the Apex Court which has clubbed the petitions from both states for a combined hearing.

Meanwhile, JSW Steel has made a provision of ₹389 crore for the Goa cess from 2013 till this September.

'COUNTERPRODUCTIVE'

Jayant Acharya, Joint Managing Director, JSW Steel told businessline that any kind of cess or taxes of this kind inflates the cost and ultimately becomes counter-productive.

"We are already paying cess on coal and electricity duty etc and adding another cess to this entire thing does not make sense to us because it is making the cost of manufacturing in India more expensive. I am sure the courts will look at it and then take a view," he said.

"We need to look at it on a holistic basis and see whether it is really impacting the country and I think there needs to be some rules and regulations

provided on this asset," he added. The petitioners in High Court argued the nature of the levy and the primary object of the law is environment and environmental pollution, which does not feature on any of the three lists in the Constitution's Seventh Schedule (related to the division of power between the Centre and States).

However, the Court said that, "entries in the legislative lists are not sources of the legislative power but are merely topics or fields of legislation, and that they must receive a liberal construction inspired by a broad and generous spirit and not in a narrow pedantic sense."

The bench of Justices MS Sonak and Bharat Deshpande said they find it difficult to accept the argument that the law is not legislation with respect to the entries relating to public health, sanitation, water, land and gas as referred to in the State list of Seventh Schedule.

Supriya Lifescience, **KIIT** join hands on oral cancer detection kit

Our Bureau

Supriya Lifescience and Odisha's Kalinga Institute of Industrial Technology (KIIT) have collaborated to develop an oral cancer detection kit.

The initiative marks a portfolio-diversification by the Mumbai-based active pharmaceutical ingredients (API) maker.

The 'Quickblue oral kit' is designed to detect oral cancer in a cost-effective and efficient manner, the company said, adding that it had filed for a patent on the kit.

TO REDUCE COSTS Satish Wagh, Supriya Lifes-

cience Chairman said, the oral kit could "reduce the cost of oral cancer detection significantly, eliminating the need for multiple biopsies in cases of nonhealing oral ulcers." The product was relevant in the country and the Asian subcontinent, he added, "where a significant percentage of oral cancer patients are found."

"This initiative represents a step towards diversifying the product portfolio of Supriya Lifescience," said Wagh, adding that they aimed to expand and grow over the next decade.

TO ADVERTISE **PLEASE CONTACT** Mr. N SELVA KUMAR

PH: 9820350726 selvakumar.n@thehindu.co.in

businessline.

Madras HC rejects cherry-picking charge against CCI, clears deck for probe

KR Srivats New Delhi

The Madras High Court has dismissed a writ petition filed by Agni Steel against a probe initiated by the Competition Commission of India (CCI), clearing the path for the probe into cartelisation by steel companies.

The Coimbatore Corporation Contractors' Welfare Association, in a complaint filed in 2021, had alleged that steel companies had indulged in anticompetitive activities and collectively sought to control the supply of steel, creating artificial scarcity in the market.

The Madras High Court directed CCI to take necessary and appropriate action on the complaint. Accordingly, the Director-General (DG) initiated an investigation into the matter. But, the investigation was challenged by one of the companies under probe i.e. Agni Steel, on

the ground that the DG was investigating the matter in the absence of any prima facie order passed by CCI as mandated under the law and, thus, the investigation was illegal and beyond the scheme contemplated

Madras HC comprising Chief Justice SV Gangapurwala and Justice D Bharatha Chakravarthy dismissed the challenge to the probe.

text. Therefore, we answer the question that the direction to investigate and the subsequent investigation in the instant case under the Competition Act, are not in violation of Section 2002. A Division Bench of the

Agni Steel argued before the High Court that CCI should

have formed a prima facie opinion as required under the Competition Act, once the comconsequent plaint and direction of the Madras HC were forwarded to CCI.

The High Court disagreed with the contention and held: "In the peculiar facts and circumstances of this case,...we find that the Commission's expression of its satisfaction in 26(1) of the Act". "As regards the question as to cherry picking, when the investigation is in progress, merely because some of the companies were not questioned and some companies who are not named have been chosen, the same will not be ground for interference

using 'that it finds a prima facie

case' as appropriate in the con-

at this stage... As to (the question of) arbitrariness or malice or discriminatory treatment, (it) is premature at the stage of inquiry and investigation and we find it not to be a ground to interfere at this stage, leaving it open for the writ petitioner to agitate the same, if made out at the relevant point of time," the Court noted while dismissing the petition.

ardous chemical and can ignite or explode spontaneously. The fireworks can cause severe accidents and endanger lives in addi-

TE Raja Simhan

declarations

PESO.

With Diwali nearing, the Petro-

leum and Explosives Safety Or-

ganisation (PESO) has flagged

the illegal import of foreign-

made fireworks using false

as a restricted item under Indian

Trade Classification (Harmon-

ised System) — ITC (HS) with

respect to imports. To date, no

licence for the import of fire-

works has been granted for pos-

session and/or sale under the

Explosives Rules, 2008, by

The smuggled fireworks of

foreign origins include the

chemical 'potassium chlorate',

which is a dangerous and haz-

Fireworks have been declared

mental and health issues. Possession and sale of fireworks of foreign origin in India is illegal and punishable under

tion to posing a host of environ-

law. Information about possession and/or sale of such fireworks may be reported to the

A source said some trading importers are importing fire-

able action, PESO said.

nearest police station for suit-

works mis-declaring the goods (changing the cargo name). It is very difficult to check this. An official of a leading manu-

facturer of fireworks in Sivakasi said that the clandestine import of fireworks comes as toys escaping the scan of the Customs. It may come via road from Nepal or Bangladesh. It is very difficult to check. Consumers are innocent. The label of illegal firethey are made. The department says the tiny 'bangers' that are thrown on the floor and called 'vengaya vedy' (onion fireworks) are dangerous for kids. This was banned by the department and none of the factories in Sivakasi produce such products. Similarly, officials must catch the traders who are selling the illegal fireworks, he The Supreme Court in a judgement on September 12,

works never mentions where

2017 in the matter of Arjun Gopal&orsvsUOI&ors, said"The Union of India will ensure strict compliance with the Notification GSR No. 64 (E) dated January 27, 1992 regarding the ban on import of fireworks. The Union of India is at liberty to update and revise this notification in view of the passage of time and further knowledge gained over the last 25 years and issue afresh notification, if necessary."

other words, and not expressly

QUICKLY.

Gaza needs unimpeded flow of aid: UN bodies



Geneva: The United Nations Palestinian refugee agency (UNRWA) and the World Health Organization on Tuesday called for an unimpeded flow of aid into Gaza, trapped in a humanitarian crisis after two weeks of Israeli air strikes. "We call for an unimpeded and continuous flow of humanitarian assistance and medical assistance to continue coming into Gaza," said Tamara Alrifai, spokesperson for the UNRWA, REUTERS

Euro zone October PMI at near 3-year low

London: Euro zone business activity took a surprise turn for the worse this month as demand fell in a broad-based downturn across the region, a survey showed, suggesting the bloc may slip into recession. Market pricing now suggests ECB chief Christine Lagarde's 'higher-for-longer' interest rate narrative may not last as some **expect.** REUTERS

Household investments in physical assets on the rise

GROWTH INDICATOR. Steady double-digit growth seen in housing, vehicle loans

Shishir Sinha New Delh

Strong growth in investments in housing and the purchase of vehicles by households have boosted private consumption, a Finance Ministry report has shown. Households also remain optimistic about future earnings, said the report.

"Thanks to the release of

pent-up demand, household investment in physical assets grew much faster in FY22 compared to the pre-pandemic decade (FY12 to FY20). There has been steady double-digit growth in housing loans since May 2021 till the present," a Monthly Economic Review prepared by the Economic Affairs Department of the Finance Ministry said. Quoting data from reality research firm Anarock, the report said the housing sector recorded 36.5 per cent volume growth and 47.7 per cent value growth during

Vehicle loans, an important



SURGING AHEAD. Housing prices increased by 5.1 per cent y-o-y in Q1, the highest in 19 quarters

committee report of October,

which said credit to the hous-

ing sector recorded consist-

ent double-digit expansion

(13.8 per cent in August),

while vehicle loan growth

strengthened to 20.6 per cent.

Credit card loans maintained

high growth (30 per cent in

August), reflecting inter alia

the buoyancy in demand from

contact-intensive services.

One reason for higher invest-

ment in housing could be

price appreciation. According

to the RBI's all-India housing

price index, housing prices in-

creased by 5.1 per cent y-o-y

indicator of growth in private consumption, have grown in double-digits since April 2022. Outstanding NBFC retail loans saw a 29.6 per cent growth in FY23, with 36 per cent of the loans being used for the purchase of vehicles. The overall lending by NBFCs to the household sector rose from ₹0.2-lakh crore in FY22 to ₹2.4-lakh crore in FY23, a nearly 11.2 times jump, the report added.

PRICE APPRECIATION

The report gathered evidence from the monetary policy

in Q1, the highest in 19 quarters, led by Bengaluru, Delhi and Mumbai.

"Given that the real estate sector has a vast network of forward and backward linkages (such as cement and steel, among others, besides various services), the increase in housing demand is inducing broad-based growth and job creation," the FinMin report said.

HOUSEHOLDS' SHARE

Of the total gross fixed capital formation, households held the highest share of 40.4 per cent in FY22, acquired majorly through ownership of residential properties, followed by the private corporate sector at 34.9 per cent, and the public sector at 24.7 per cent. While the Centre's relentless focus on capital spending has been propelling aggregate investment since FY22, there are strong indications that households' increased propensity to invest in residential properties will drive further investment, the

report said.

is struggling to bounce back after three major setbacks in the last few years - the Easter Sunday terror attacks in 2019, the Covid pandemic in 2020 and 2021, and the unprecedented economic crisis

Until now, Indian tourists were charged \$20 with their visa application online. The decision to issue free tourist visas is likely to boost tourist arrivals including from India, officials said.

Meera Srinivasan is The Hindu's

Can Ashok Vaswani fill Uday Kotak's big shoes?

Hamsini Karthik

Nobody serves up surprises better than Kotak Mahindra Bank and its promoter Uday Kotak. The appointment of Ashok Vaswani, as MD and CEO of Kotak Mahindra Bank, who is set to take charge before January 1, 2024, was one such googly which very few people saw coming.

SPOTLIGHT.

Vaswani enters the bank at a time when most people within the bank and industry presumed that either one of Kotak's group management council members, KVS Manian or Shanti Ekambaram, would take over the baton from Dipak Gupta, the interim CEO. So, will the insiders take this decision kindly?

EMINENT BACKGROUND

"Vaswani is someone who, with absolute precision, knows the direction of the wind and he's never been on the wrong side," said a former colleague at Citibank, where he spent the first eight years of his career. "That was also the period of the rise and rise of corporate banking in the West and he didn't miss any opportunity that came his way. He's the perfect corporate banker," said another former colleague at Citi.

Towards 2004-05, he started investing his career in Citi's consumer banking business. In 2007, he was among the top leadership exodus, when Citigroup was revamping its consumer banking business globally, a year ahead of the Lehman crisis. Known to be close to Ajay Banga, who then headed Citi's international consumer division,



Ashok Vaswani

Vaswani took a three-year break from banking. His association with Barclays started in February 2010 as CEO of the cards business in Europe.

With leadership roles in retail, personal and corporate banking, he was elevated as CEO of Barclays, UK, in March 2016 and subsequently as chief digital officer in November 2021. After helming the role for about nine months, Vaswani moved out of an active banking career. He's currently the President at Pagaya, a New York-based company focused on artificial intelligence in the financial services sector, and is said to be one of the most influential names in the

global banking arena. People who have worked with Vaswani call him a man for all seasons. "You just have to give him a problem to solve and he'll get it done," said another colleague former Vaswani. But what caught even his friends by surprise was his plans to return to India.

"He is very clued in about the Indian market, but none of us had an idea that he'd want to take the top job at homebred Kotak Mahindra Bank," said the banker quoted above.

The stock market was also taken aback. On Monday, Kotak Mahindra Bank's stock fell over 1.5 per cent reacting to appointment. Vaswani's

"The market was expecting an internal candidate, an external candidate got appointed...we need to see how he fits into the Indian banking environment, need to see whether there are senior management exits or any internal flux...many moving variables here,' savs Suresh Ganapathy of Macquarie Capital.

That said, there are few similarities between Uday Kotak and Ashok Vaswani.

Both are perhaps the

same age and alumni of Mumbai's famous Sydenham College. They share their passion for cricket. But as bankers will there be similarities? "Foreign bankers are known to be very competitive and cutthroat and on top of their game always," said a CEO of a private bank who has worked with Vaswani. "At Kotak, his appointment could set the cat among the

ADAPTING TO VASWANI

pigeons".

But it needs to be seen if Kotak loyalists can adapt to Vaswani. Kotak Bank's leadership are senior known to be loyalists and career Kotak employees. "Everyone gets treated like family, and despite the competition we have each other's back," said a former employee of the bank.

The question most analysts are asking is whether Vaswani would adapt to Ko-

Usually, an outsider CEO brings along their trusted people and, more importantly, an outsider gets appointed when the ways of working need to be changed. Axis Bank is the classic example.

While Uday Kotak calls Vaswani's decision a 'gharwapsi' by a global banker, will Kotak Mahindra Bank be a happy home is something only time will reveal.

Lanka waives visa fees for Indians, tourists from 6 other nations

Meera Srinivasan

Colombo

Sri Lanka on Tuesday waived the visa fees for Indians and tourists from six other countries, as part of its efforts to boost tourist arrivals and help rebuild the island nation's battered economy following last year's financial

India has remained Sri Lanka's top source market for many years. This year, over 2 lakh Indian tourists constituting 20 per cent of

the total tourist arrivals have visited the island nation until September.

As part of its decisions this week, the Cabinet announced implementation of a pilot project to issue free tourist visas to tourists from China, India, Russia, Thailand, Indonesia, Malaysia, and Japan until March 31, 2024.

STRUGGLING TO REVIVE

According to a statement on the weekly Cabinet decisions, published by the Department of Government Information, the move is part of "several



MAJOR SHARE. This year, over 2 lakh Indian tourists constituting 20 per cent of the total tourist arrivals — have visited the island nation until September REUTERS

new programmes" planned for the promotion of the Sri Lankan tourism industry, one of the chief foreign exchange

earning sectors for the country, apart from exports and worker remittances.

Sri Lanka's tourism sector

correspondent in Colombo.

businessline

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