

Free Foodgrains:  
Poll-Time Freebie

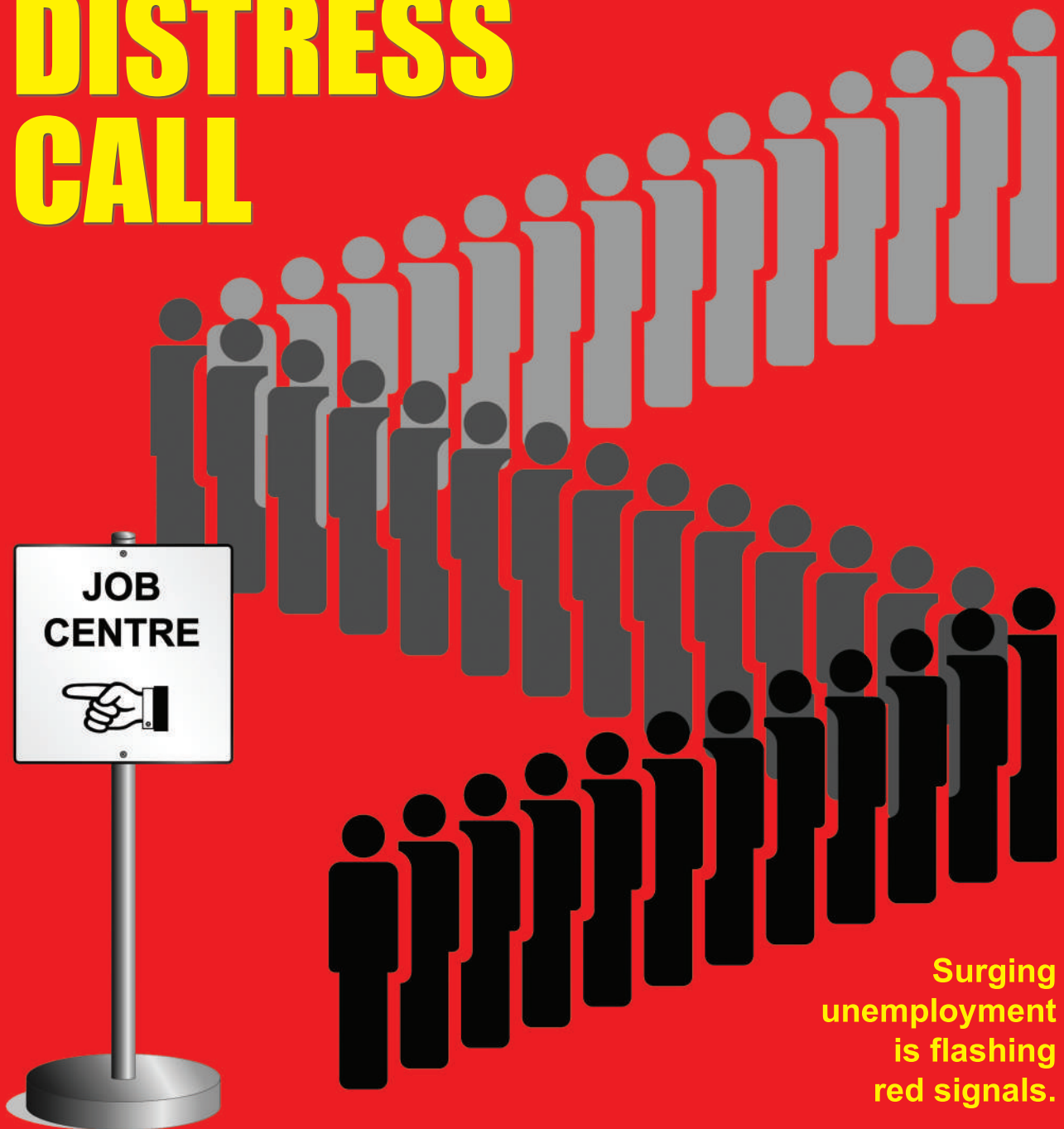
Broadcasting Bill:  
Watchdog Scare

# India Business Journal

VOL. XIX No. 6 Rs 100

DECEMBER 2023

## DISTRESS CALL



## VISION

**Generating adequate power for Maharashtra on a sustainable basis at competitive rates in a socially responsible manner**



- ◆ MAHAGENCO is the Second Largest Power Generation Company after NTPC in India, along with highest thermal strength amongst all State utilities. MAHAGENCO having mix generation capacity of 13,170.02 MW comprising 9,540 MW Thermal, 2580 MW Hydel, 672 MW Gas Turbine & 378.02 MW Solar.
- ◆ The country's first sewage treatment plant at Bhandewadi, Nagpur with a capacity of 130 million litres per day for Koradi 3x660 MW units. An additional 190 million litres per day sewage water treatment plant has been commissioned for Koradi and Khaparkheda Thermal Power Plants.
- ◆ Efficient deployment of pollution control FGD (Flue Gas Desulfurization) systems for MAHAGENCO's Thermal Power Plants.
- ◆ Transportation of Fly Ash by rail for 100% efficient utilization.
- ◆ Govt. of Maharashtra have given clearance for construction of 2x660 MW capacity Super Critical replacement units at Koradi.
- ◆ MAHAGENCO proposed to set up a pilot Green Hydrogen Project of 20 Nm<sup>3</sup>/Hr. capacity at Bhusawal Thermal Power Station.
- ◆ MAHAGENCO have successfully introduced eco-friendly and innovative technology of Coal Pipe Conveyor System for Coal Transportation at Chandrapur and the same for Koradi & Khaperkheda Plants are in progress.
- ◆ MAHAGENCO have now framed out "Vision 2030 Strategic Roadmap to face any type of challenges in coming years and find out opportunities in power sector.
- ◆ MAHAGENCO has set target of approx. 10,000 MW Renewable Energy Projects by year 2030.
- ◆ To provide electricity supply to the farmers, MAHAGENCO is implementing "Chief Minister Solar Agriculture Feeder" scheme. A solar project of total 148.02 MegaWatt were synchronized & commissioned with grid.
- ◆ MAHAGENCO has established a subsidiary company named Mahagenco Renewable Energy Ltd. (MAHAREL) to build Green Maharashtra through non-conventional sources.





DECEMBER 2023, Rs 100

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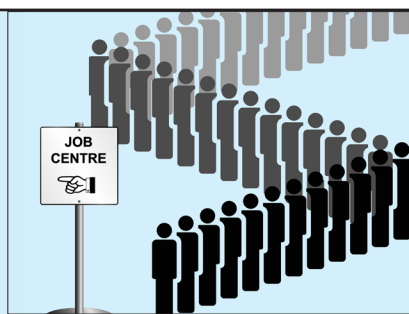
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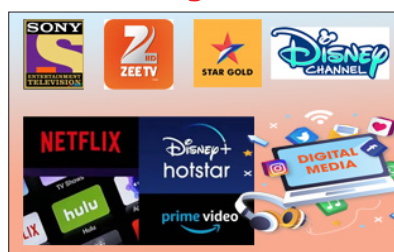
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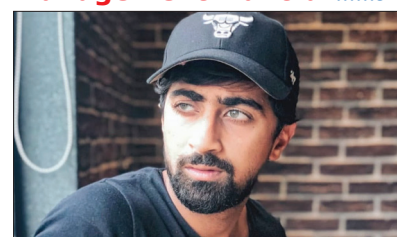
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**Buoyant primary market of 2023 follows a rather subdued 2022 and a robust 2021.**

## The IPO Deluge

The primary market is on cloud nine. In the 11 months of 2023, 47 companies have successfully raised Rs 44,298 crore through initial public offers (IPO). SME IPOs have also seen a record run during the same period of 2023. Some 91 small businesses have mopped up close to Rs 2,327 crore through their maiden offers on the SME platforms of BSE and NSE.

In fact, the third week of November was incredibly the busiest one for the IPO market. That fascinating week witnessed investors pouring an unprecedented Rs 2.6 lakh crore into six issues that had collectively put Rs 7,380 crore of shares on offer. The public issue of Tata Technologies was entirely snapped up in just two hours of the first day of IPO, leaving the offer sold by multiple times. Many other issues were subscribed several times over, giving little respite for number-crunching issue managers.

The IPO boom of 2023 is a confluence of several factors. The buoyant primary market of this year follows a rather subdued 2022 and a robust 2021. Surging secondary market, private equity investors looking to cash out, new young investors making a beeline for stocks on offer and deepening equity market have all contributed to a blockbuster 2023.

Interestingly, an excellent track record of public offers that have hit the market this year is fuelling the frenzy in the primary market. Most of the issues have had stellar debuts this year, with double-digit returns that have even spilt into triple digits in some cases. Stock prices of over 90 per cent of the companies that have listed this year are trading above their issue price.

The excitement in the primary market is doubled by the bullish secondary market. Against a backdrop of global uncertainty, Indian benchmark indices have gained around 9 per cent in 2023 so far. The broader market has done much better at over 30 per cent, with small- and mid-cap stocks rallying to their multi-year highs.

The huge appetite for equities stems from the confidence that investors have in the India growth story and the large universe of fast-growing, well-managed companies. A huge army of investors has entered the stock market indirectly by parking their savings in mutual fund schemes through the most-popular systematic investment plans (SIP).

Meanwhile, Indian equity culture has really spread wider and penetrated deeper into the country. The year is silently turning out to be a big one for companies emerging from India's smaller towns. Many of these companies are also smaller in size and scale and also belong to traditional sectors. About half of the companies that have listed on the mainboard of stock exchanges are located in tier-II cities and smaller towns. From small-town Davanagere in Karnataka to Faridabad in Haryana, companies across diverse industries have made their IPO debut with lowest issue size as little as Rs 66 crore.

Much of the credit for smooth functioning of IPO market must go to the Securities and Exchange Board of India (SEBI). Many investor-friendly measures of the markets regulator – such as ASBA, reduced timeline for listing and so on – have inspired confidence among investors and are wooing them to stock market.

These are really interesting times for stock market and investors. But euphoria in the past has turned sour, owing to greed of some dubious promoters of companies, unscrupulous scamsters and even reckless investors. The markets regulator and the investors must remain extra vigilant to ensure that promoters do not jack up their IPO issue prices to unreasonable levels. Vigilance, after all, will be a reasonable price to keep the IPO party going.

**The IPO boom of 2023 is a confluence of several factors. Surging secondary market, private equity investors looking to cash out, new young investors making a beeline for stocks on offer and deepening equity market have all contributed to a blockbuster 2023.**



# Integra Essentia Ltd Reports Robust Earnings for Q2FY24, PAT Jumps by 248% YoY

Integra Essentia Ltd, a prominent player engaged in business of life essentials, has approved unaudited financial results of the company for the quarter and half year ended September 30, 2023, in its board meeting held on November 6, 2023.

Commenting on the Q2FY24 and H1FY24 performance, the company adds: "Integra Essentia Limited is pleased to report robust financial performance for the second quarter of FY24. We are delighted to share that our revenue from operations witnessed substantial growth of 17.11 per cent, reaching Rs 6,689.71 lakh compared to Rs 5,712.55 lakh in Q2FY23. This impressive expansion underscores our steadfast commitment to driving sustainable growth and delivering value to our stakeholders."

Integra's EBITDA exhibited remarkable progress, soaring by 420.98 per cent from Rs 211.11 lakh in Q2FY23 to Rs 1,099.84 lakh in Q2FY24. The company's focused efforts on operational efficiency resulted in a noteworthy improvement in EBITDA margins, escalating from 3.55 per cent in Q2FY23 to 14.71 per cent in Q2FY24, marking an increase of 1,116 basis points. This significant advancement showcases its dedication to enhancing operational excellence and maximising profitability.

unwavering support have been instrumental in our success. As we move forward, we remain focused on driving innovation, operational efficiency and delivering sustainable value to all our stakeholders," Integra has said.

Integra Essentia Limited specialises in life essentials such as food (agro products), clothing (textile and garment), infrastructure (materials and services for construction and infrastructure development) and energy (materials, products and services for renewable energy equipment and projects) and many more products and



**Integra Essentia: Driving innovation and operational efficiency**

## Highlights Of Consolidated Financial Statement

PARTICULARS	Q2FY24*	Q2FY23*	YOY%	H1FY24*	H1FY23*	YOY%
<b>Revenue From Operations</b>	6,689.71	5,712.55	17.11%	12,189.55	11,309.01	7.79%
<b>EBITDA</b>	1,099.84	211.11	420.98%	1,368.15	269.73	407.23%
<b>EBITDA Margin (%)</b>	14.71%	3.55%	1116 bps	10.43%	2.34%	809 bps
<b>PAT</b>	752.79	215.88	248.71%	871.09	274.20	217.68%
<b>PAT Margin %</b>	10.07%	3.63%	644 bps	6.64%	2.38%	426 bps

\*Rs Lakh

The company also announced substantial increase in Profit After Tax (PAT), which surged by 248.71 per cent, reaching Rs 752.79 lakh in Q2FY24 from Rs 215.88 lakh in Q2FY23. This notable growth is a testament to Integra's strategic initiatives and resilient business model, the company stresses.

The outlook for the company's future remains positive, and it is committed to maintaining this momentum. With an eye on the future, Integra aims to achieve sales of Rs 270 crore in this financial year, marking robust growth of about 15 per cent compared to that of the previous financial year, it has added.

"We extend our gratitude to our shareholders, clients and dedicated team whose relentless efforts and

services required to sustain modern life. As a company with a substantial role to play in creating and providing effective basic life materials and services, Integra enhances aspiring living standards and opulent lifestyles through a diverse portfolio of products and services.

The company is promoted and managed by a core team of experts with diverse experience relevant to its businesses and is continually expanding its business through acquisitions of operational facilities. It is currently analysing, comparing, and finalising the acquisition of processing facilities as a part of its long-term plan to broaden its business interests. The securities of the company are listed on BSE (Scrip Code: 535958) and NSE (Scrip Code: ESSENTIA)

**Indians get 12 fake**

**messages daily** A recent survey reveals that Indians receive almost 12 scam texts or emails daily. These, often disguised as “legitimate communication”, lead to considerable stress and financial strain as consumers spend an average of 1.8 hours each week verifying message authenticity. According to McAfee 2023 Scam report, surveying over 7,000 adults across seven countries, including India, the study delves into escalating sophistication of scam messages driven by artificial intelligence (AI). Approximately 90 per cent of Indians admit to receiving daily fake messages or scams via email and text, with 84 per cent reporting the same for social media. Rise in AI-powered scams erodes trust in digital communication.

**Full-fledged service at**

**Chhabahar soon** India Ports Global, formed to develop and run Chhabahar port in Iran, is expected to sign an



**Q2 GDP beats estimates to surge to 7.6%** Gross Domestic Product (GDP) for the second quarter (Q2) of the ongoing financial year accelerated to 7.6 per cent year-on-year, according to data shared by the Ministry of Statistics and Programme Implementation. In the same period last year, the GDP growth had stood at 6.2 per cent. However, the GDP growth in the second quarter was marginally lower in comparison with the first quarter of FY24. In the first quarter, the GDP growth had stood at 7.8 per cent. The stronger-than-expected growth can be attributed to strong urban consumption, manufacturing and higher government spending. Manufacturing growth came in at 13.9 per cent, while construction growth stood at 13.3 per cent.

agreement with the Iranian Port Authority soon to start full-fledged operation, the Ministry of Ports, Shipping and Waterways has said. Located in the Sistan-Baloch-

istan province on the energy-rich Iran's southern coast, the Chhabahar port is being developed by India, Iran and Afghanistan to boost connectivity and trade ties. Chhabahar

is an oceanic port. It is near the Indian Ocean and closest to the route to Afghanistan

**Free foodgrain scheme for five years**

The BJP-led Centre has extended free ration scheme for the 80 crore poor for the next five years. Prime Minister Narendra Modi made the announcement at a rally in Chhattisgarh last month. According to government officials, this move will incur an expenditure of approximately Rs 2 lakh crore. Currently, beneficiaries of the National Food Security Act (NFSA) pay a nominal fee of Rs 1-3 per kg for foodgrain. According to the Act, 5 kg of foodgrain is allocated per person each month for priority households and 35 kg per family each month for Antodaya Anna Yojna (AAY) families at highly subsidised prices.

**UP, Japan explore business opportunities**

A high-level Japanese delegation – led by Japan's Ambassador to India Hiroshi Suzuki, held a bilateral meeting with Uttar Pradesh Chief Minister Yogi Adityanath recently to discuss investment opportunities and enhance bilateral ties between Japan and Uttar Pradesh. The Japanese delegation also participated in an interactive session on emerging opportunities across various fields in the State. The session offered a platform for brainstorming, planning and setting the path for future collaborations. It also served as a testament to shared commitment of both Japan and Uttar Pradesh to harness the untapped potential of their partnership.

**Auction of 20 critical mineral blocks soon**

The government will invite bids for 20 critical mineral blocks in next two weeks. The 20

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critical blocks include lithium and graphite mines, Mines Secretary V L Kantha Rao has said. "After making the policy on critical minerals, the next step is the auctioning of critical mineral blocks.... Now, we are almost ready to issue the auction notice for auctioning about 20 blocks that are related to critical minerals like lithium and graphite," the secretary has added. According to Mr Rao, there are about 12 players in the country who have the technology to produce and process critical minerals.

### India's Russian imports surge by 64%

India's imports from Russia rose by 64 per cent to \$36.27 billion during the April-October period of FY24 on higher shipments of crude oil and fertiliser. With this, Russia has become India's second-largest import source. The imports were \$22.13 billion during April-October 2022. From a market share of less than 1 per cent in India's

import basket before the start of the Russia-Ukraine conflict, Russia's share of India's oil imports rose to over 40 per cent.

### SEBI moots easier insider trading norms

Markets regulator SEBI has proposed to ease certain provisions of insider trading law. The SEBI currently allows management to trade in shares of their companies under so-called duly disclosed "trading plans". This enables executives, who are frequently in possession of unpublished price-sensitive information, to trade without violating rules meant to prevent insider trading. In a discussion paper, the SEBI has proposed to relax rules around cooling-off period between announcement and implementation of trading plans to four months from the current six months. It has further proposed that trades following a trading plan can be executed within two months rather than the present requirement of a year. ■

## OBITUARY

### Sri Venkitaramanan (1931-2023)

Former RBI Governor S Venkitaramanan, 92, passed away last month after a brief illness. Born in Nagercoil, Mr Venkitaramanan completed his master's degree in physics from University College, Thiruvananthapuram and also earned a master's degree in industrial administration from Carnegie Mellon University, US. He had served as finance secretary in the Ministry of Finance between 1985 and 1989. He took over as the RBI



governor in 1990 and managed two major crises – the balance of payment crisis that led to pledging of gold and the securities scam triggered by Harshad Mehta. He is hailed as one of the brightest civil servants of the country.

## Verbatim...



**"Successfully completed a sortie on the Tejas. The experience was incredibly enriching, significantly bolstering my confidence in our country's indigenous capabilities and leaving me with a renewed sense of pride and optimism about our national potential."**  
Narendra Modi  
PRIME MINISTER

**"I must admit, I am always a little confused and surprised as to why people continue to do that (bet in F&O) knowing that the odds are not in their favour at all. There is a 90 per cent chance that the investor will lose money in the F&O segment."**  
Madhabi Puri Buch  
CHAIRPERSON, SEBI



**"We need to improve the quality of our primary, secondary and higher educational institutions to embrace independent, critical and analytical thinking. India must invest \$1 billion annually for 20 years in improving the quality of research and education."**  
N R Narayana Murthy  
CHAIRMAN EMERITUS, INFOSYS

**"The semiconductor sector – which may get three more chip fabrication units with cumulative investments of around \$12 billion soon – will grow as a major contributor to the entire manufacturing base of electronics, telecom and defence electronics."**  
ASHWINI VAISHNAW  
ELECTRONICS & IT MINISTER





### Amnesty scheme for GST demand order

The Finance Ministry has come out with an amnesty scheme for filing appeals against Goods and Services Tax (GST) demand orders. The scheme, which will be open till January 31, 2024, will be available for entities that were unable to submit their appeals against orders issued by the tax officer on or before March 31, 2023, according to the Central Board of Indirect Taxes and Customs (CBIC). The CBIC has issued a notification with respect to the scheme recently. So far, the GST law allowed an assessee to file an appeal against an assessment order seeking taxes within three months of passing the order.

### New IT framework for banks, NBFCs

The RBI has come out with a new comprehensive master direction related to information technology (IT) governance, risk, controls and assurance practices for banks and NBFCs. The key focus areas of IT governance will include strategic alignment, risk management, resource management, performance management and business continuity and disaster recovery (DR) management. “REs (regulated entities) shall put in place a robust IT Service Management Framework for supporting their information systems and infrastructure to ensure the operational resilience of their entire IT environment (including DR sites),” the latest directions read.

### MFs can show only 10-year returns in ads

The Association of Mutual Funds in India (AMFI) has clarified that mutual funds (MFs) cannot show future returns even as illustrations and has also directed them to use only



**RBI hikes risk weights for banks, NBFCs** The RBI has tightened norms related to unsecured lending portfolios of banks and non-banking financial companies (NBFCs) amid concerns of abnormally-high growth in the loan categories. Indian banks have seen a sharp rise in unsecured loans – mostly personal loans and credit cards – that have outpaced overall bank credit growth of about 15 per cent over the past year, catching the RBI’s attention. The RBI has increased the risk weights for banks and NBFCs – or the capital that banks need to set aside for every loan – by 25 percentage points to 125 per cent on retail loans, the central bank has said in a release.

the 10-year compounded annual growth rate (CAGR) for showcasing investment returns in their advertisements. The industry body’s guidelines follow after the SEBI had observed that some MFs were releasing advertisements which were not in compliance with the letter and spirit of the provisions in the Advertisement Code prescribed in the SEBI (Mutual Funds) Regulations, 1996. The SEBI had noted that some illustrations were seen depicting future returns based on assumptions and projections.

**Microfinance loans up 24% in H2 2023** Outstanding portfolio of microfinance industry has risen by 24 per cent year-on-year to Rs 3.6 lakh crore as on June 30, the latest report from CRIF High Mark shows. The portfolio rose by 5.2 per cent on a sequential basis. The gross loan portfolio of urban markets rose nearly 20 per cent year-on-year, whereas rural

markets grew by 27.3 per cent during the same period. The top 10 States contributed 83.1 per cent of the gross loan portfolio, the report adds. The growth is largely attributed to large-scale adoption of digitalisation in the sector and positive regulatory amendments of the RBI.

### Banks can sue loan guarantors via IBC

The Supreme Court has upheld the constitutionality of key provisions of the Insolvency and Bankruptcy Code (IBC), including the initiation of insolvency proceedings against personal guarantors in case of default by a company. Over 200 petitions had been filed against various provisions of the IBC, such as applications by creditors to initiate the insolvency resolution process against personal guarantors, interim moratorium and appointment of resolution professional (RP). The judgment gives great relief to lenders as it allows them to

recover the portion of debt relating to personal guarantors. Creditors are hopeful that the process will now kick-start and timelines under the IBC would be met.

### Instamojo shuts payments aggregator unit

Mastercard-backed Instamojo has shut down its payments aggregator business after the RBI returned its licence application. “As of September 27, we have shut down the payment aggregator business, for which you require a licence. Our application has been returned by the RBI, but we continue to function as a payment platform,” Instamojo Chief Operating Officer Akash Gehani has said. In September 2021, Instamojo had applied for payment aggregator licence to the RBI, but it had not fulfilled the network requirement at that point of time. The company has partnered with other payment aggregators and has been working with them since October.

### CDSL’s demat accounts cross 10 crore

Central Depository Services (CDSL) has said that number of dematerialised (demat) accounts on its platform has crossed the 10-crore mark. CDSL, which began operations in 1999, facilitates holding and transacting in securities in the electronic form and settlement of trades on stock exchanges. “CDSL is pleased to announce the crossing of another milestone as more than ten crore (100 million) demat accounts were registered (with the platform),” the company has said in a statement. CDSL is the largest depository in the country in terms of active demat accounts and allows investors to deposit securities by opening an account in electronic form (demat).

# Servotech Power Systems Reports Robust H1 FY24 Earnings, PAT Jumps 536% YoY

**S**ervotech Power Systems Ltd (NSE: SERVOTECH), a prominent manufacturer of cutting-edge solar products and electric vehicle (EV) chargers as well as power backup and smart power solutions, unveiled its impressive financial performance for the quarter ended September 30, 2023, during the board of directors' meeting on October 30, 2023. The company witnessed stellar revenue growth of 115.2 per cent and stood at Rs 8,659.09 lakh in Q2 FY24 compared to Rs 4,023.96 lakh in Q2 FY23.

In the EV division, the company witnessed strong demand for its EV chargers due to rapid uptake and increased demand for EVs and increasing need for improved EV infrastructure. In the solar division, the company continued to gain traction for its products, driven by increasing focus on adopting sustainable energy for energy needs.



Further, EBITDA exhibited tremendous growth of 148.2 per cent to Rs 597.01 lakh in Q2 FY24 from Rs 240.50 lakh in Q2 FY23, with a margin expansion of 91 basis points, led by higher share of products having superior margins. Additionally, PAT for Q2 FY24 stood at Rs 312.41 lakh, up from Rs 78.04 lakh in Q2 FY23, with margins increasing to 3.60 per cent from 1.94 per cent in the corresponding period.

In terms of H1 performance, revenue increased by 130.1 per cent and stood at Rs 16,640.44 lakh in H1 FY24 compared to Rs 7,230.48 lakh in H1 FY23. EBITDA increased by 245.8 per cent from Rs 378.86 lakh in H1 FY23 to Rs 1,309.92 lakh in H1 FY24, and margins stood at 7.87 per cent from 5.24 per cent during the same period due to increase in scale of operations. PAT increased by 536.8 per cent and stood at Rs 723.37 lakh in H1 FY24 compared to Rs 113.60 lakh in H1 FY23, while margins improved to 4.35 per cent from 1.57 per cent during the same period.

Commenting on the results, Servotech Power Systems Ltd Managing Director Raman Bhatia said: "We witnessed stellar growth during the quarter, and this success can be attributed to our steadfast dedication to delivering cutting-edge, technology-driven solutions in the fields of electric vehicles and solar energy. Our substantial progress in enhancing both product quality and efficiency has solidified our position in the sustainable energy sector, enabling us to maintain a significant market share in EV charging solutions."



**Servotech Power Systems is reshaping EV charging infrastructure and solar industry.**

Further, Servotech's product portfolio showcases an array of eco-friendly, user-friendly, cost-effective and sustainable technologies, making it the preferred choice for its target audience, thereby driving market expansion. It is also worth noting that the company's strategic partnerships and collaborations with the Uttar Pradesh government and other esteemed institutions, like EMCOR and IIT Roorkee, in alignment with the Make In India initiative, have been pivotal in reshaping the landscape of both the EV charging infrastructure and the solar industry.

"We remain firmly committed to our vision of delivering customer-centric solutions in the realm of sustainable, clean and green energy. As we step into the future, we are closely aware of the substantial potential within the markets we serve and are well-prepared to seize the growth opportunities that lie ahead. We take immense pride in our role in advancing the EV charging infrastructure and solar industry and are dedicated to maintaining our leading position in this dynamic industry," said Mr Bhatia.

Servotech Power Systems is an NSE-listed company that develops tech-enabled EV charging solutions, leveraging its over two decades of experience and expertise in the electronics space. The company offers an extensive range of AC and DC chargers which are compatible with different EVs and serve multiple applications, such as commercial and domestic. With its comprehensive engineering capabilities, the company plans to play a pivotal role in developing India's EV tech infrastructure. A trusted brand with a strong pan-India presence, Servotech Power Systems' legacy is marked by proven innovation and distribution of high-end LED lighting and UV-C disinfection products, along with medical-grade oxygen concentrators and its makings.



### Legacy set to mine gold in Australia

NMDC's subsidiary, Legacy Iron Ore, is set to mine gold in western Australia, the government has said in a statement. NMDC will commence its mining operation at the Mount Celia gold project located in western Australia, the government has said, adding that it will be the first gold mine in its extensive portfolio. In line with the push, the company has undertaken a groundbreaking ceremony for the operations at the Paddington Gold Mine. The first ore for processing at Paddington gold mine is scheduled for the first quarter of 2024, and it is poised to become a significant contributor to India's gold production landscape.

### Coal India set to double e-auction volume

Coal India is likely to e-auction approximately 60 mt of coal in the second half (H2) of FY24. This represents a significant increase from the 32 mt sold in the first two quarters of the year. Coal India has informed analysts that it aims to sell 15 per cent of its production in the second half of the current financial year through e-auctions, which currently command a premium of around 90 per cent over the fuel supply agreement price. Coal India also plans to raise e-auction share of production from 10 to 15 per cent in FY24 and then to 20 per cent by FY25.

### ONGC to put Rs 11 cr in 2 petchem units

ONGC plans to invest about Rs 1 lakh crore in setting up two petrochemical (petchem) plants to convert crude oil directly into high-value chemical products as it prepares for energy transition. Crude oil, which companies like ONGC pump out from below seabed



### GAIL does world's first ship-to-ship transfer

GAIL has done the world's first ship-to-ship liquefied natural gas (LNG) transfer to save on shipping costs and cut emissions. This is a part of the State-owned entity to look at innovative ways as a pivot to boost business, the company's executives have said. GAIL has contracted 5.8 mtpa of LNG (natural gas super-cooled to liquid form) from the US. This has resulted in savings of about 8,736 nautical miles, equivalent to 7,000 tonnes of carbon dioxide emission. It has also resulted in shortening the voyage from 54 to 27 days for GAIL's chartered vessel and helped it save more than \$1 million, the executives add.

and underground reservoirs, is a primary source of energy. It is processed in oil refineries to produce petrol, diesel and jet fuel. With the world looking to transition away from fossil fuels, companies around the globe are looking at new avenues to use crude oil. ONGC, the country's largest top oil and gas producer, plans to raise its petrochemical capacity to around 9 mt by 2030.

### Banks told to deactivate dormant UPI IDs

National Payments Corporation of India (NPCI) has released guidelines to deactivate inactive Unified Payments Interface (UPI) IDs and associated UPI numbers to secure the UPI ecosystem and prevent wrong transfer of funds. NPCI has said this in a release, coinciding with an announcement by the RBI that UPI transactions had crossed 11 billion. The UPI, a revolutionary platform

enabling swift and convenient fund transfers between bank accounts via smartphones, has witnessed a remarkable surge, with a billion transactions added within a mere two months, taking the total transactions to an unprecedented 11 billion. This surging user base has prompted NPCI to issue the directives.

### PSBs asked to strengthen digital ecosystem

The Finance Ministry has asked public sector banks (PSBs) to review systems and processes related to their digital operation in view of the recent UCO Bank incident. The banks have been advised to check their cybersecurity robustness and take measures to strengthen them. Banks should keep a tight vigil, and there should be readiness for future cyber threats, the ministry has advised. The Finance Ministry and the RBI have been sensitising banks on this aspect at regular

intervals amid growing digitisation in the financial sector. Last month, UCO Bank had reported erroneous credit of Rs 820 crore to account-holders of the bank via Immediate Payment Service (IMPS).

### SBI, BoB get good response for CBDC

Public sector lenders State Bank of India (SBI) and Bank of Baroda (BoB) have received encouraging response from customers for the Central Bank Digital Currency (CBDC) or digital rupee, the RBI has said. SBI has recorded over 9,00,000 transactions from 4,00,000 lakh users since December 1 last year. The number of CBDC users for BoB has reached 2,50,000. The central bank has set a target of 10 lakh CBDC transactions per day by the end of December this year under the CBDC pilot, which was launched in December 1, 2022. As of now, 13 banks are participating in the CBDC pilot in 80 cities.

### BPCL, GAIL sign 15-yr propane deal

State-owned Bharat Petroleum Corporation (BPCL) has signed an agreement with GAIL (India), committing to supply propane for 15 years to GAIL's propane dehydrogenation and polypropylene (PDH-PP) plant project in Usar, Maharashtra. BPCL will provide 600 ktpa of propane to GAIL from its LPG facility in Uran under the 15-year supply contract at an estimated value of Rs 63,000 crore. BPCL's LPG facility in Uran is capable of handling 1 mtpa of LPG imports and is expanding it to accommodate 3 mtpa of propane and butane imports, the company has said in a media release. GAIL's Usar plant is set begin operations in 2025.



## **Advik Capital Limited is foraying into Alternative Investment Fund Category-II and targeting to mop up Rs 250 crore for the new venture**

**A**dvik Capital Limited, an RBI-registered non-banking finance company (NBFC), has firmed up its plan to apply for a licence for Alternative Investment Fund Category-II (AIF) with market regulator Securities and Exchange Board of India (SEBI) under the SEBI (Alternative Investment Fund Regulations).

Advik Capital is aiming to raise up to Rs 250 crore in its Alternative Investment Fund. As sponsor of the proposed AIF, it has earmarked to invest 10 per cent of the corpus of the fund. This initiates a part of Advik Capital's business expansion strategy with the objective of broad-basing the portfolio and diversifying into futuristic new-age businesses, complementing and supplementing the existing business lines of the company. The proposed category AIF will investment in sunrise sectors, including but not limited to, healthcare, infrastructure and manufacturing, among others.

The investment will be in the form of equity, quasi-equity or structured debt. In the second phase, the company intends to extend its investment footprint in stressed assets, which can be revived with timely strategic interventions and financial support, thus creating value for all the stakeholders. Advik Capital will leverage its experience in the equity capital markets in listed and unlisted segments, and it plans strategically position the fund within the performing credit space.

Advik Capital has mandated all interme-

diaries, merchant bankers and legal consultant to formalise strategies, prepare all the documentation and submit the application with the SEBI for necessary approvals. The company is in the final process of recruiting chief investment officer and investment management team for efficient execution.

The strategic business decision of Advik Capital to establish an AIF will further strengthen its position in the financial market by way of offering more structured products to its customers. There is an incredible seven-fold growth in the

Indian AIF industry in the past five years. Domestic AIFs have committed to mop up Rs 69.4 million as on June 30, 2022 (according to the SEBI's website). Of this, Rs 56.19 millions of commitments were raised in AIF Category-II, of which Rs 22.04 millions of investments have been successfully com-

pleted so far. There are approximately 900 AIFs registered with the SEBI.

Advik Capital Limited, headquartered in New Delhi, is primarily engaged in the business of providing financial loans and ancillary services. It is one of the emerging non-deposit-taking NBFCs registered with the Reserve Bank of India. The company's wholly-owned subsidiary, M/s Advikca Finvest Limited, is engaged in the business of making investments in capital market instruments in India and has plans to eventually make investments abroad as well. The company is listed on BSE (Scrip Code: 539773).



**Advik Capital Limited, headquartered in New Delhi, is primarily engaged in the business of providing financial loans and ancillary services. As sponsor of the proposed AIF, the company has earmarked to invest 10% of the corpus of the fund.**

**Raymond buys 59% in Maini Precision** The Raymond Group has announced acquisition of 59.25 per cent stake in Maini Precision Products for Rs 682 crore. The company will fund the deal through a mix of debt and internal accruals. "This acquisition is a strategic move to further strengthen Raymond's existing engineering business with a complementing business that has presence in sectors like aerospace, electric vehicles (EV) and defence," the company has said in its release. The acquisition will be concluded through Ring Plus Aqua, a subsidiary of JK Files and Engineering. After the acquisition, Raymond will consolidate businesses of JK Files, RPAL and MPP and will form a subsidiary, Newco.

**Reliance buys Sephora India from Arvind** Billionaire Mukesh Ambani's Reliance is tying up with LVMH-owned Sephora to operate the beauty chain's stores in India. Reliance will take over Sephora's 26 stores in India from Arvind Fashions for Rs 99 crore. Reliance, the country's largest retailer, had launched its own beauty retail platform called Tira in April to take on the likes of Nykaa. Reliance will help expand Sephora's presence in the country's fast-growing beauty and cosmetics market. Beauty retailers in India are vying to attract customers as demand for clean beauty and celebrity-owned brands grows. Brands such as Nykaa, Tira and Shoppers Stop have expanded their offerings to woo customers.

**Airbus inks deals with four Indian suppliers** In a boost to the Centre's Make In India programme, European aerospace major Airbus has



**Jindal Power drops out of Go First bidding** Jindal Power, the only company whose EoI to take over Go First was accepted by creditors, had decided not to follow through with a bid, three people familiar with the plans have said, pushing the insolvent airline closer to liquidation. The deadline to submit takeover bids had ended last month, and the sources told the Reuters that Jindal had decided against bidding after evaluating the airline's financial statements. While the deadline could be extended via an application to the courts, creditors were currently not inclined to do so. Go First had filed for voluntary insolvency in May and owes Rs 6,521 crore to its creditors.

announced component manufacturing contracts with four Indian suppliers. The local firms with which Aerospace has tied up are Mahindra Aerospace, Aequs, Dynamatic and Gardner. The contracts have been signed for supply of airframe and wing parts for Airbus' A320neo, A330neo and A350 programmes, a release notes. According to Airbus, the latest contracts will support the ramp-up of commercial aircraft programmes globally. It will also strengthen capability and capacity in the aviation ecosystem of India "across multiple technologies, including sheet metal, machining and extrusion profiles".

#### **IndiGo's Delhi-Haryana air taxis to fly in 2026**

InterGlobe Enterprises, the parent company of IndiGo, will be starting air taxis from Delhi's Connaught Place to Gurugram in Haryana in 2026. With air taxis, IndiGo has said that the journey between the two cities, which takes between 60 and 90 min-

utes, will be covered in just about seven minutes. IndiGo will be offering this service in partnership with California-based electric air taxi firm Archer Aviation. InterGlobe is not the first company to announce air taxi service in the country. In March, FlyBlade India, which offers urban helicopter services, announced a tie-up with Jaunt Air Mobility to launch eVTOL operations in the country by 2027.

#### **Adani slots \$1.5-billion capex for data centres**

Gautam Adani-led Adani Enterprises will be spending nearly \$1.5 billion on its fledgling data centre business in the upcoming three years. AdaniConnex – a 50:50 joint venture between Adani Enterprises and global data centre provider EdgeConnex – was set up in February 2021 to run the data centre business. Adani Enterprises Chief Financial Officer Jugeshinder Singh has said that the annual capital expenditure (capex) on the data centre business is estimated to be around \$500

million each for the next three years. The company is mulling to build nine data centres, targeting a total capacity of 1 gw by 2030 to support booming digital services in the country.

**Dabur takes Badshah Masala abroad** Home-grown FMCG major Dabur is taking its spice brand Badshah to overseas markets, expecting the brand it acquired last year to contribute around 4 per cent to international sales this fiscal, its CEO Mohit Malhotra said. The company is eyeing the diaspora markets of the US, UK and the Middle East and is in the process of getting regulatory approvals and upscaling manufacturing. Also, in the domestic market, Dabur has plans to take Badshah Masala to North, East and South besides expanding further in western markets of Maharashtra and Gujarat. Dabur had acquired Badshah last October for about Rs 600 crore.

**Siemens to acquire 18% in India JV** German parent Siemens intends to buy 18 per cent share from Siemens Energy in its Indian joint venture, Siemens, for \$2.28 billion, reflecting a 15 per cent discount on its average price. "The purchase price reflects a customary discount of 15 per cent on the five-trading-day, volume-weighted average price before the day of signing," said Siemens in a statement, according to reports. This development comes after earlier reports had said that Siemens was seeking a discount from Siemens Energy for any possible purchases of shares in the Indian joint venture. It was then reported that Siemens hoped for a discount of around 15 per cent.

# Salasar Techno Engineering, a highly diversified engineering company, bags Rs 364-crore contract from TANGEDCO

**S**alasar Techno Engineering Ltd. (STEL) (BSE: 540642, NSE: SALASAR) engaged in manufacturing of large and heavy steel structures, and providing customised steel structures and EPC solutions to diverse range of industries including telecom, power, railways and others has bagged an EPC contract worth Rs 364 crore.

The contract focuses on execution of loss reduction work in turnkey mode. The contract signals a significant milestone for the company, involving a comprehensive scope of work aimed at enhancing the power infrastructure in Erode district of Tamil Nadu. Under the contract, STEL is entrusted with the supply, erection, and installation of feder segregation, high voltage distribution system, separation of double distribution transformer and augmentation of 33 KV lines. The above contract further strengthens the order book of the company and is expected to get completed within 36 months, yielding healthy EBITDA margins.

Commenting on the order win, the management team of STEL said: "We are delighted to announce a significant achievement that underscores our commitment to excellence and our capabilities in delivering cutting-edge infrastructure solutions. STEL has secured a monumental EPC contract valued at Rs 364 crore from the Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO). The contract focuses on executing loss reduction work in the turnkey mode. We will handle every aspect of the project, from design and engineering to manufacturing, testing, supply, erection, and installation of feder segregation, high voltage distribution system, separation of double distribution transformer and augmentation of 33 KV lines. The project will be executed in successive phases.

Securing this contract further reflects our unwavering dedication to winning integrated projects, thereby expanding our scale of operations and enhancing profitability. The contract underscores our commitment to excellence and our ability to provide end-to-end solutions for complex electrical infrastructure initiatives. Our successful bid for these contracts further solidifies our position as a reliable and innovative partner in the development of robust power infrastructure across the region. Finally, our unwavering commitment remains steadfast in fulfilling our fundamental mission of providing outstanding engineering and construction solutions to our valued customers, all while ensuring sustainable growth for our stakeholders. Our dedication extends to ongoing investments in both our network

and technology, coupled with a proactive approach to identifying and pursuing new avenues for growth and innovation. As we wrap up, we express sincere gratitude to our entire team, whose resilience and steadfast support have been invaluable in every circumstance."

Incorporated in 2006, Salasar Techno Engineering Limited is a provider of customized steel fabrication and infrastructure solutions in India. It provides 360-degree solutions by carrying out engineering, designing, fabrication, galvanization and deployment.



**STEL has served more than 600 clients spread across 25 countries.**

STEL's product portfolio includes telecommunication towers, power transmission line towers, smart lighting poles, utility poles, high mast poles, stadium lighting poles, monopoles, substation structures, solar module mounting structures, railway electrification (OHE), road & railway over-bridges (ROB) and customised galvanized & non-galvanized steel structures. STEL's services include providing complete engineering, procurement & control (EPC) for projects such as rural electrification, power transmission lines and solar power plants. STEL is among the leading manufacturers with the current installed capacity of 2,11,000 MTPA having supplied, 50,000+ telecom towers, ~746 km of power transmission lines, ~629 km railway track, to 600+ clients in 25+ countries.



## Tata Motors, JLR to roll out premium EV

Tata Motors has partnered with JLR for development of its premium pure electric series Avinya. Tata Passenger Electric Mobility (TPEM) has signed an MoU with JLR (Jaguar Land Rover) for licensing of JLR's platform for a royalty fee for developing Avinya series vehicles. "As part of this knowledge, skills and manufacturing process transfer, over 200 new jobs are expected to be created in the UK," said the auto major. TPEM and JLR will also enter into an engineering services agreement to support TPEM's change content requirements for the first vehicle development, Tata Motors has said in a statement.

## With Rs 7,000-cr cash, Dabur eyes purchases

With substantial cash reserve of Rs 7,000 crore, Dabur India is actively seeking acquisition opportunities in the healthcare and home and personal care sectors as well as in the online space. The online space, particularly with



## CG Power plans to set up semiconductor unit

CG Power has announced a plan to set up a semiconductor facility in the country. CG Power has added that it has filed an application to set up an Outsourced Semiconductor Assembly and Test (OSAT) facility in India with an investment of about \$791 million over five years. In a statement issued to stock exchange, the company informed about the application to the Ministry of Electronics and Information Technology, seeking subsidies for the project. CG Power is a part of the Murugappa Group, a diversified conglomerate with business interests in several products, including abrasives, technical ceramics, electro-minerals, auto components and systems and the like.

direct-to-consumer (D2C) brands, has become more attractive for Dabur due to reasonable valuations. Dabur is focusing on expanding its presence in the online market, introducing innova-

tions under existing brands and considering inorganic opportunities. While organic growth is planned for new brand launches in skincare and premium skincare, acquisitions will play a crucial role

in other segments. Innovation is a key aspect of Dabur's growth strategy, with successful evolving brands.

## India Inc's 'returnship' to empower women

Companies are rolling out "returnship" programmes to empower women seeking to rejoin the workforce after a career break. Companies across sectors – pharmaceutical, insurance, technology, financial services and renewable energy – are accelerating their focus on second career programmes as they look to tap into a non-traditional but experienced talent pool and also move the needle on gender diversity numbers, according to executives of talent consulting and diversity companies. Titan, Yubi, Razorpay and Tally Solutions are among a clutch of companies that recently introduced initiatives to provide training, mentorship and work assignments to returning women workers, initiatives seen as helping them rebuild their skills and confidence.

## OBITUARIES

### Prithvi Raj Singh Oberoi (1929-2023)

Prithvi Raj Singh Oberoi, popularly called Biki or PRS Oberoi, 94, the chairman emeritus of the Oberoi Group, passed away last month. Mr Oberoi was known for changing the face of the hotel business in India. Born in New Delhi in 1929, Mr Oberoi was the son of late Rai Bahadur M S Oberoi, the founder of The Oberoi Group. PRS Oberoi studied in India, the UK and Switzerland.



Besides providing leadership for management of luxury hotels in several countries, Mr Oberoi was instrumental in pioneering the development of Oberoi hotels and resorts. Under his leadership, the Oberoi brand came to represent fine luxury hotels.

### Subrata Roy (1948-2023)

Sahara Group founder and Chairman Subrata Roy, 75, died at a Mumbai hospital last month after battling a long illness. Born in Bihar's Araria in 1948, Mr Roy's success story of starting Sahara India Pariwar began in 1978. Starting with a capital of only Rs 2,000, the company traversed a long way to become a frontrunner in entrepreneurship, with interests in finance, television,



newspaper and other sectors. His family later moved from Bihar to Gorakhpur and then Lucknow. However, Sahara faced a multitude of problems over funds in a case that has now come to be known as the Sahara chit fund scam.

# Integra Essentia Board Approves 1:1 Bonus Issue, Gets Nod To Raise Up To Rs 100 Crore

**I**ntegra Essentia Limited, a prominent player engaged in business of life essentials, in its board meeting held on November 27, 2023, approved bonus issue of shares in 1:1 ratio (one equity share of Re 1 each for every one equity share held by shareholders of the company as on record date), subject to shareholders and other statutory approvals. Record date to determine eligible shareholders will be decided and intimated to stock exchange separately.

To accelerate growth further, the board has approved issuance and allotment of securities to raise funds for an aggregate amount of up to Rs 100 crore by way of a preferential allotment, QIP, ADR, GDR, FCCB or any other method or combination thereof including series of rights issues, each tranche not exceeding Rs 50 crore. The company will seek members' approval for all requisite board decisions as may be necessary.

Earlier, the company announced that its agro business had bagged advance orders amounting to Rs 15 crore from one of India's premier business house – M/s Sarveshwar Foods Limited and its material subsidiary M/s Himalayan Bio Organic Foods Limited (Sarveshwar Group).

The company has nurtured a long-term understanding with most of its customers and is eyeing to supply agro-products worth about Rs 90 crore per year to the Sarveshwar Group, which is an ISO 22000:2018 and USFDA (United States Food and Drug Administration)-certified company besides having BRC (biggest global standard for food safety), Kosher, NPPO USA and CHINA, along with NOP-USDA Organic certifications for its products.

To scale up business operations for the agro-based products, the company has been working on a similar long-term association with several prestigious business houses in India and overseas markets as well. As an enduring sustainable business strategy, Integra Essentia Limited is aiming at synergetic amalgamations to tap into the business potential embedded in the ever-growing demand of life essentials and a wide variety of life essentials and lifestyle products based on modern business approach of sourcing, producing and marketing of a wide range

of bulk and speciality materials and services.

Integra Essentia Ltd is a company engaged in business of life essentials, such as food (agro-products), clothing (textiles and garments), infrastructure (materials and services for construction and infrastructure development) and energy (materials, products and services for the renewable energy equipment and projects) and many more products and services required to sustain modern life.

Integra Essentia Limited is a business with a substantial role to play both in creating and providing effective basic life materials and ser-

The logo for Integra Essentia Limited features the word "Integra" in a large, bold, blue sans-serif font, with "Essentia Limited" in a smaller, blue sans-serif font directly beneath it.

The company recently acquired Chateau Indage Winery as a part of its long-term business growth strategy.

vices, and on the other hand, to enhance aspiring living standards, opulent lifestyle through its wide offering of agro, health and nutrition, clothing, energy and infrastructure, bulk materials and other lifestyle-related products.

Marching ahead on the fast-growth track, Integra Essentia Limited recently acquired Chateau Indage Winery as a part of its long-term business growth strategy and to strengthen its presence in the entire supply chain spectrum of consumable goods. With rise in disposable incomes, rapid urbanisation, access to reasonably-priced domestic wines, the perceived health benefits of consuming low alcohol beverages and changing consumer attitudes have led to a significant increase in wine consumption.

The company is promoted and managed by a core team of experts of diverse experience relevant to the company's businesses. The securities of the company are listed on both nationwide stock exchanges – BSE (Scrip Code: 535958) and NSE (Scrip Code: ESSENTIA).

SHIVANAND PANDIT

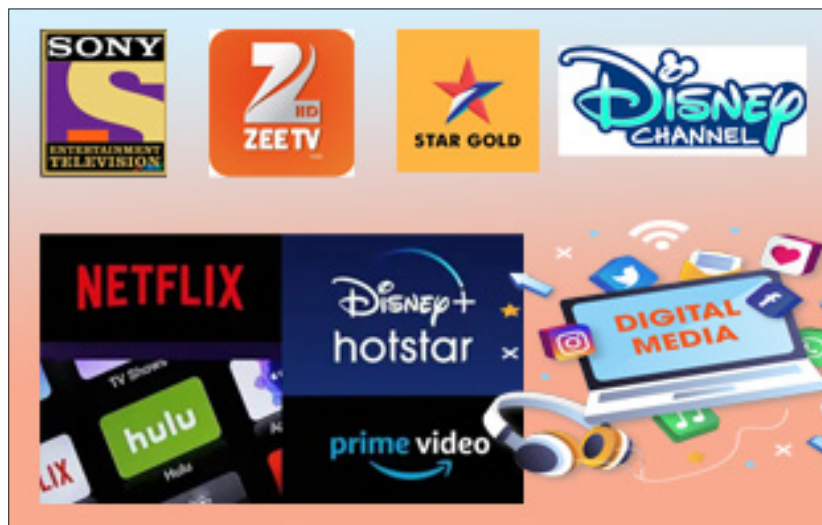
The Ministry of Information and Broadcasting issued a draft Broadcasting Services (Regulation) Bill, 2023, on November 10 to replace the current Cable Television Networks (Regulation) (CTNR) Act, 1995, with a consolidated legal framework for the broadcasting sector. The Bill has been brought to keep pace with the developing digital transformations in the information and broadcasting segment and the shift from cable television networks to the dynamic world of OTT, digital media, DTH, IPTV and other emerging technologies.

India's broadcasting industry is undergoing a significant transformation due to the rise of digital technologies. This change is blurring the lines between traditional broadcasting and online streaming platforms, leading to more competition in the market. However, there is no uniformity in the rules governing the different platforms. For instance, traditional TV channels are subject to censorship, while online streaming services are not regulated. To address this issue, the new broadcasting Bill has been proposed.

#### Provisions of broadcasting law

The new Bill provides regulatory provisions for various broadcasting services under a single legislative framework. It has six chapters, 48 Sections and three Schedules and provides comprehensive definitions for contemporary broadcasting terms, along with other important technical terms defined in the statute for the first time. The Bill introduces content evaluation committees for self-regulation and a broadcast advisory council to advise the Central government on violations of programme code and advertisement code.

It also provides statutory penalties, such as advisory, warning, censure, or monetary penalties, for operators and broadcasters. Provision for im-



## Watchdog Scare

The proposed broadcasting Bill, seeking to have a unified framework for both old and new media, triggers fears of undue control over stakeholders.

prisonment and/or fines is also there, but only for very serious offences, such as obtaining registration with a false affidavit. The monetary penalties and fines are linked to the financial capacity of the entity, taking into account their investment and turnover to ensure fairness and equity.

#### Attempt to control

After the much-discussed and controversial introduction of the Information Technology (IT) Rules, 2021, the ministry has released the draft broadcasting Bill. Information and Broadcasting Minister Anurag Thakur believes that the broadcasting Bill would help achieve the Prime Minister's vision for "ease of doing business" and "ease of living". However, considering the criticism and controversy surrounding the IT Rules, 2021, introduced for national welfare, one might question if the real intention behind this Bill is "ease of control and regulation" rather than facilitating ease of living.

Introducing regulations to ben-

efit citizens is a crucial priority for any democratic system. However, the BJP-led government's experience with media regulation indicates otherwise. The government's media regulation policies have failed to deliver what they had promised. The proposed broadcasting law has the potential to erase or selectively represent Indian minority communities from the popular imagination and normalise a universal Hindu identity of India. For example, consider the broad and ambiguous framing of point 36 in the draft. It states that "Where any authorised officer thinks it necessary or expedient so to do in the public interest, he may, by order, prohibit any cable broadcasting network operator, radio broadcasting network operator, terrestrial broadcasting network operator, and IPTV broadcasting network operator from transmitting or re-transmitting any programme or channel if it is not in conformity with the prescribed programme code and advertisement code referred to



in Section 19 or if it is likely to promote, on grounds of religion, race, language, caste or community or any other ground whatsoever.” It is evident that an “authorised officer” working under the government’s directions cannot be separated from the government’s sphere of influence.

The Cable Television Networks (Regulation) (CTNR) Act of 1995 was introduced to regulate programming and advertising content on television and curb the menace of illegal cable television networks. Under the CTNR Act, cable providers were required to register themselves and transmit two Doordarshan channels, besides adhering to content regulations. Ironically, just like the sporadic vitriolic sentiments against Netflix and Amazon Prime Video for “anti-national” content, the ministry had cited STAR TV’s programming in 1995 as a harbinger of “cultural invasion” to push for content regulation on television. This is even though the Indian television programming we witness today is a result of a hybrid of media languages (for example, Hinglish) and the adoption of foreign programming formats (think of Bigg Boss, Kaun Banega Crorepati), both of which are directly attributed to the advent of Western broadcasters in India.

The CTRN Act was introduced to tackle illegal cable operators, but it failed to bring transparency about the actual number of operators. The nexus of operators, politicians, entrepreneurs and broadcasters controlled the transmission of television, and MSOs such as SitiCable, Hathaway, and InCable turned operators into local franchises. These MSOs had intense rivalries, which led to collusion with the underworld and local politicians to protect and expand their cable businesses. To improve the opaque cable and television landscape, the ministry had amended the CTRN Act in 2003, making it mandatory for cable operators to submit



**The draft broadcasting Bill seems like a systematic attempt to control every aspect of a citizen’s viewing choices.**

reports to the government. The operators were also expected to transmit or retransmit pay channels through set-top boxes, offering the option of choosing television channels to consumers. The government also set a maximum price limit on the subscription rates cable operators could



**The CTRN Act, aimed at tackling illegal cable operators, failed to bring transparency about actual number of operators.**

charge. Despite these regulations, the MSOs, broadcasters and operators continued to bundle preferred channels, keeping their interests in mind and at the expense of the consumer.

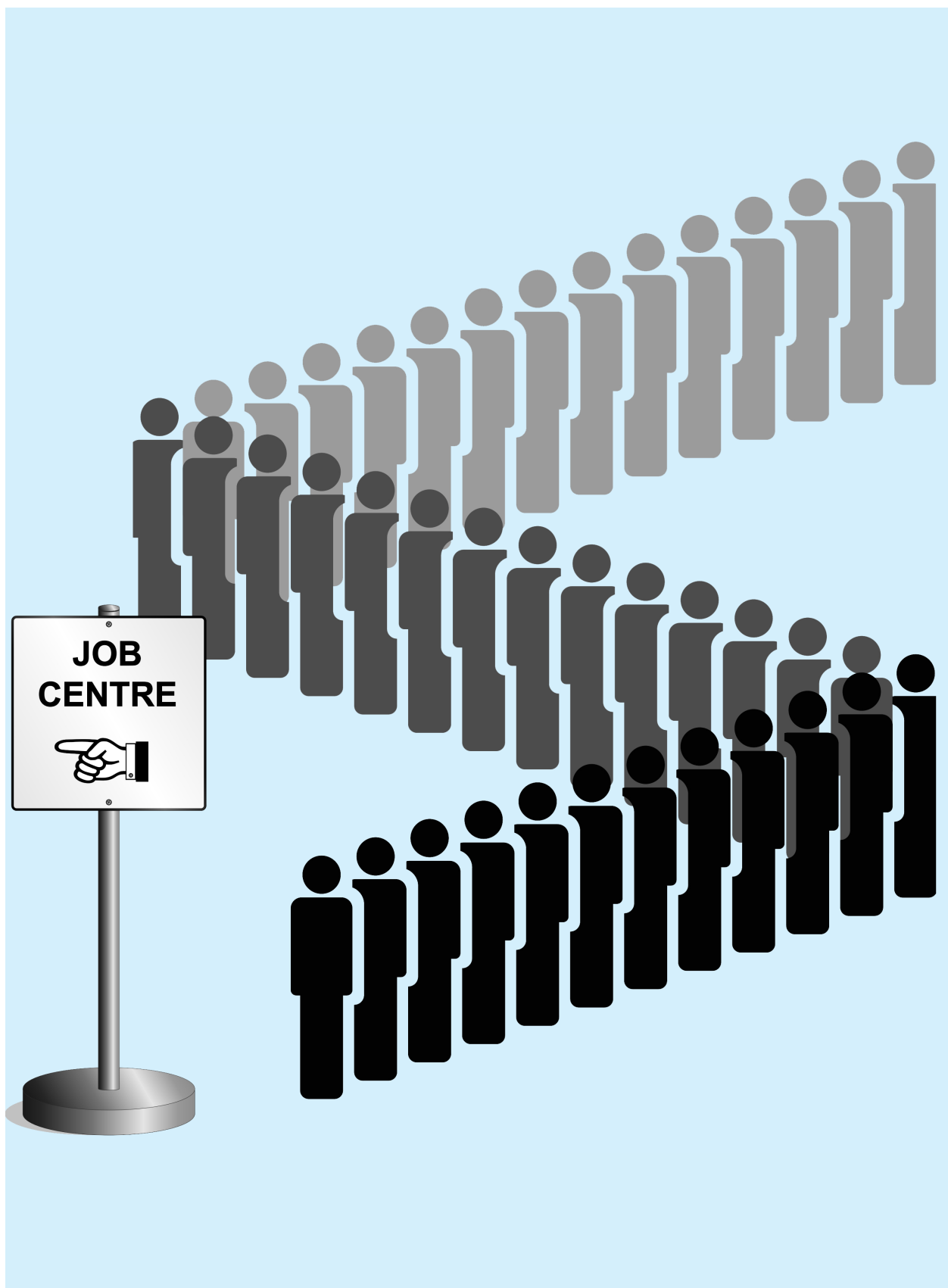
The CTRN Act and its 2003 amendment are examples of the government’s push for regulation to control the network of information and communication infrastructures. However, the government failed to regulate the conflicts of interest that pervade the Indian media industries. The nexus between MSOs, politicians and the vertical integration of broadcasting and cable distribution services has impacted the legitimacy of these regulations and the reforms they promised to bring. The government’s trust deficit with its

citizens is apparent from the failures of the CTRN Act. The draft version of the broadcasting Bill seems like a systematic attempt to control the digital infrastructure and every aspect of a citizen’s viewing choices.

Amid debates about cultural invasion and anti-national programming, the government seems to be promoting oligopolistic media ownership tendencies. It is difficult to understand how this may not negatively impact the welfare of Indian citizens that the government is supposed to serve. It is crucial to have a regulation on conflicts of interest to address this issue. Other regulatory measures that aim to facilitate ease of business often seem to prioritise ease of control and regulation instead.

The broadcasting Bill aims to bring in a modern regulatory framework, but it must be implemented with caution. As India navigates the ever-changing landscape of broadcasting, striking a balance between regulation and freedom of expression is important. The Indian digital universe has flourished on ingenuity and expression. It creates energetic engagement and discussion, besides offering avenues of income for the many content creators who depend on it. Hence, any regulatory framework for it must be formed keeping in mind the strengths of this sector.

*(The author is a tax specialist based in Goa.)*



# DISTRESS CALL

Surging unemployment is flashing red signals.  
But the authorities are in a denial mode of pain in the labour market.

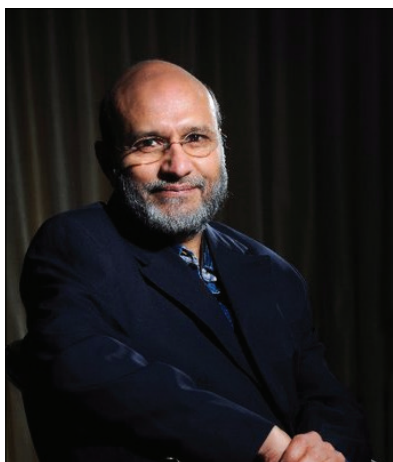
## IBJ RESEARCH BUREAU

India's unemployment rate appears to have dramatically plunged in the past six years. The annual Periodic Labour Force Survey (PLFS), which brings out the official jobs data, reveals that the unemployment rate has almost halved from 6 per cent in FY18 to 3.20 per cent in FY23. The countrywide survey – conducted by the National Sample Survey Office (NSSO) – pertains to the period between July 2022 and June 2023.

The latest jobs survey reveals that unemployment rate in rural areas has also slid from 5.30 per cent in FY18 to 2.40 per cent in FY23. There is a fall in jobless rate in urban areas too from 7.70 to 5.40 per cent during the period under consideration.

“India's expanding economy is creating new possibilities for the youth, and the unemployment rate in the country is at its lowest level in the last six years. Benefits of development are reaching both villages and cities equally, and as a result, new opportunities are increasing equally in both villages and cities,” stresses Prime Minister Narendra Modi.

In fact, almost all major indicators of the job market are in the green. The survey reveals that Labour Force Participation Rate (LFPR – See Box Job Market Jargons) has jumped from 49.80 per cent in FY18 to 57.90 per cent in FY23. The surge in LFPR is especially contributed by women, whose LFPR saw a major surge from 23.3 to 37 per cent, while LFPR for men rose from 75.8 to 78.5 per cent during the period under review.



“The share of self-employed in the total workforce is increasing, and within that, most of the increase can be seen among unpaid family labour and own account workers. So, what is happening is that regular people who have lost work have gone to do something on their own.”

**SANTOSH MEHROTRA**  
Economics Professor, JNU

The overall share of self-employed people in the workforce has also increased from 52.2 to 57.3 per cent. However, share of regular wage or salaried employees and casual labourers in the workforce has declined from 22.80 and 24.90 to 20.90 and 21.80 per cent respectively.

The rise in self-employment is being hailed as the changing face of modern employment. “India's labour market is undergoing a deep structural transformation with self-entrepreneurship across all echelons and higher education emerging as key enablers,” notes a recent SBI Research paper, analysing the findings of the latest PLFS report.

### Wide variations

If the official data paints a rosy picture, widely-tracked jobs survey reports of a private think-tank present a very gloomy condition. The Centre for Monitoring Indian Economy (CMIE) – the Mumbai-based private organisation that publishes



Overall structure of the job market has remained unchanged for long, with agriculture accounting for 47% of the workforce.



a wide variety of reports – points out that the country's unemployment rate climbed to a two-year high of 10.05 per cent in October as against 7.09 per cent in September.

The jobless rates of CMIE, which publishes data every month, are divergently higher from those of PLFS. Similarly, the private group puts the LFPR at 39.50 per cent in FY23. CMIE's LFPR reading is a good 18.40 percentage points lower than PLFS'. Moreover, CMIE's low LFPR numbers for FY23 make a disappointing descent from the already-low FY22 figures of 40.10 per cent.

So, why is the jobs market data put out by the two agencies so vastly different? Both PLFS and CMIE's Consumer Pyramid Household Survey (CMIE-CPHS), which tracks key metrics in the labour market, more or less cover the same number of households and individuals and both are national surveys. But wide variations in conclusions are mainly because of different criteria used to define employment and also as a result of different ways of classifying data.

For instance, unpaid helper in household enterprise, a sub-category within the self-employment category, is considered as work but not counted as employment by the International Labour Organization (ILO)



"If a person is easily considered to be employed, then the labour participation rate is inflated and the unemployment rate is deflated from what I would call a more meaningful definition of employment."

**MAHESH VYAS**  
MD & CEO, CMIE

and many countries across the world. Only those types of work that are remunerated are considered as employment globally. CMIE too follows this global standard. However, the NSSO classifies the unpaid helper in household enterprise as employment, with the latest PLFS report pegging this sub-category at 18.30 per cent of the

country's workforce. This sizeable sub-category easily slashes unemployment rate and jacks up the LFPR.

Besides, there is a big difference in the way questions are framed in the interviews of the two surveys. The PLFS questions are quite straightforward as to whether respondents are employed or unemployed. But CMIE surveyors engage their respondents in a conversation to understand the actual nature of their work.

"In our surveys, a person needs to be employed for a better part of the day to be classified as employed. Now, if a person is easily considered to be employed, then the labour participation rate is inflated and the unemployment rate is deflated from what I would call a more meaningful definition of employment," points out CMIE Managing Director and CEO Mahesh Vyas.

These different approaches do make a lot of variations in data churned out by the two national surveys. Yet it would be wrong to ignore the PLFS report as irrelevant. On the contrary, the official survey is a treasure trove of data, barring a few misclassifications. The NSSO has brought radical changes in labour market data collection ever since 2017, when it replaced the Labour Bureau and began conducting the PLFS.

"CMIE data would be useful to figure out the changes in unemployment levels, but to gauge the absolute levels of unemployment, PLFS may be a better bet," stresses Pronab Sen, the former and first Chief Statistician of India.

#### **A miserable state**

The exhaustive PLFS 2023 report sheds light on a gamut of issues in the jobs market. Apart from a few glitches that have overstated or understated some vital parameters, the official report holds a mirror to the poor state of the country's labour market.

In fact, the overall structure of the job market has remained unchanged even after 76 years since



**A whopping 74.30% of the workforce is in the informal sector, with the farm sector accounting for bulk of informal workers.**

## Two Surveys, Two Results...



- CMIE's unemployment rates too high as against those of PLFS
- CMIE's LFPR very low compared to that of PLFS
- Differences in definition of employment and classification of data reason for variations
- Unpaid helpers not counted as employees by CMIE and across the world
- Against global practice, unpaid helpers classified as employees by PLFS

	PLFS	
Year	Unemployment Rate*	LFPR*
2022-23	3.20	57.90
2021-22	4.10	55.20
2020-21	4.20	54.90
2019-20	4.80	53.50
2018-19	5.80	50.20
2017-18	6.00	49.80

\*All PLFS' data for each year between July and June

\*\*CMIE's unemployment for the months of 2023

\*\*\*CMIE's LFPR data for FY23

	CMIE	
Month	Unemployment Rate**	LFPR***
October	10.05	39.50
September	7.09	
August	8.10	
July	7.95	
June	8.45	
May	7.70	
April	8.11	

All figures in %

India became independent. Agriculture is still the prime employer, accounting for nearly half (47 per cent) of the entire workforce, followed by services (29 per cent) and the industry (24 per cent). Despite cornering the huge share of employment, the farm sector contributes only 18 per cent to the Gross Domestic Product (GDP). In other words, a disproportionately-high number of people are dependent on agriculture, leading to their meagre earnings from the primary sector.

Another feature that has remained unchanged for so long is the predominantly-informal nature of the workforce. A whopping 74.30 per cent of the workforce is in the informal sector across the three main employment categories – self-employment, regular wage and salaried workers and casual labourers. Moreover, this informal nature



"India's expanding economy is creating new possibilities for the youth, and the unemployment rate in the country is at its lowest level in the last six years."

**NARENDRA MODI**  
Prime Minister

extends and dominates across the entire structure of the job market – agriculture, industry and services – with the farm sector accounting for a huge about 47 per cent of the entire workforce. These informal workers have no written contracts, are poorly paid, not covered under any specified social security benefits and not eligible for any paid leaves.

A rather disturbing issue detailed across the six PLFS reports so far is the almost-stagnant earnings (See Box Stagnant Earnings) across the categories of employees. Incomes of employees have gone up very little between FY18 and FY23 even as inflation has surged to double digits during this period. That would mean that for most part of the six years, their real incomes (income after excluding the prevailing inflation rate) have plunged into the negative.

Amid these woes, a very strange



With around Rs 23 lakh crore loans sanctioned to small businesses, Mudra scheme is a right step in the right direction.

narrative is being built on the findings of the latest PLFS report. A drop in number of casual labourers and regular wage and salaried employees and a rise in number of the self-employed are being hailed as a deep structural transformation in the labour mar-

ket, driven by young entrepreneurs. The SBI Research paper and many others cite the government's emphasis on entrepreneurship through programmes, like Pradhan Mantri Mudra Yojana and PM SVANidhi, triggering a structural transforma-

tion in the country's labour market. Moreover, hype around startups and gigs is paraded to support the idea.

Nothing could be more outlandish than these conclusions. A careful analysis of the PLFS report reveals the grim realities. The entire argument of an entrepreneurial transformation of the jobs market falls flat if seen in light of a vital piece of information in the latest and past PLFS reports. The documents clearly show that average monthly incomes of the self-employed are much lower than average regular wages.

Like all other labour market reports globally, the PLFS also records self-employment under two sub-categories — own account workers and employers and unpaid helpers in household enterprises. As mentioned earlier, the problem with the second sub-category is the misclassification that leads to higher employment numbers.

## Job Market Jargons

**Labour Force:** Labour force of a country includes all those persons in the age group of 15 years and above (in India), who are actually working (workforce) or willing to work but have not found work (unemployed). In essence, it is the sum of the workforce and the unemployed. Not all people above 15 years may be working or looking for work, like students, housewives and others, who may find remuneration unviable. These people who are neither working nor searching for work are not part of the labour force. Many people within the eligible working age move out of the labour force as the remuneration is too low.

**Workforce:** Workforce consists of persons who are actually engaged in some kind of work for remuneration.

**Employment Rate:** Employment rate is the share of people who are employed in percentage within the labour force.

**Unemployment Rate:** Unemployment rate is the share of people in percentage within the labour force who do not currently have a job but are actively looking for it.

**Labour Force Participation Rate:** Labour force participation rate is the share of people in percentage who are currently employed (workforce) or seeking employment (unemployed) in the working-age population (15 years and above in India) of an economy.

The PLFS and many other surveys across the world divide employment status for workers into three broad categories:

- Self-Employed (doctors, lawyers, other professionals and may also be

tea stall vendors, shopkeepers, etc)

- Regular Wage or Salaried Employees (workers and employees with regular wages and salaries)
- Casual Labourers (workers who do not have fixed employer or wage and keep varying according to work)

Within the Self-Employed, there are two sub-categories:

- Own Account Worker (usually self-employed in lower economic levels, like eatery operator; tailor; barber, etc) and Employer (Entrepreneurs in higher economic levels, like lawyer; chartered accountant or promoter of a company, etc)
- Unpaid Helper In Household Enterprise (members of a household who help in household business without any remuneration)



In the case of the first sub-category (own account workers and employers), the PLFS clubs together the two types of jobs – own account workers (entrepreneurs at a lower economic level, such as tea stall vendors, tailors and the like) and employers (economically-higher entrepreneurs, like doctors, lawyers, other professionals and promoters of companies). Nothing amiss here as this is an international practice. But unlike the global practice, the data of the two job types is not given separately, resulting in multiple interpretations of data.

The PLFS report has slipped up again, this time, by not providing the disaggregated data of own account workers and employers. The combined data has further made it easier to peddle the idea of young, entrepreneur-driven self-employment changing the face of modern Indian labour market.

Santosh Mehrotra, a professor of economics at Jawaharlal Nehru University (JNU), provides a perspective that can see through this narrative. “The share of self-em-



“CMIE data would be useful to figure out the changes in unemployment levels, but to gauge the absolute levels of unemployment, PLFS may be a better bet.”

**PRONAB SEN**  
Ex-Chief Statistician of India

## Workforce Sliced & Diced

*Share of categories and sub-categories in the workforce in percentage*



Category	FY23	FY22	FY21
Regular Wage/Salary	20.90	21.50	21.10
Casual Labour	21.80	22.70	23.30
Self-Employed	57.30	55.80	55.60
<b>Self-Employed Sub-Categories</b>			
Own Account Worker & Employer	39.00	38.30	38.20
Unpaid Helper In Household Enterprise	18.30	17.50	17.30

Source: PLFS 2023

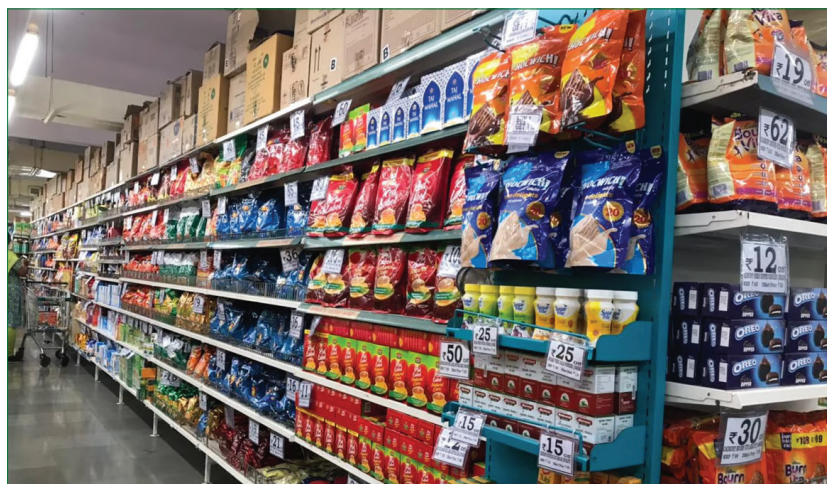
ployed in the total workforce is increasing, and within that, most of the increase can be seen among unpaid family labour and own account workers. So, what is happening is that regular people who have lost work have gone to do something on their own,” Mr Mehrotra notes.

In short, rural distress continues unabated, and there is pain in lower sections of society. The pain is visible out in the open across economic activities. Take the case of rising demand for work under the Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA), which provides small-time labour work for a minimum of 100 days in villages. People seeking work under the scheme shot

up to 17.1 crore during April-August of the current financial year. These numbers are about 19 per cent higher than 14.4 crore work-seekers in the same period of 2019-20, the immediate pre-pandemic year.

There is also subdued demand for consumer and fast-moving consumer goods (FMCG) across the country during the current financial year. Erosion of demand is particularly pronounced in rural areas. Besides, there is little respite even in the ongoing festival season, except for big demand higher-income groups.

Indians have always been resilient in the face of crisis, and many of them are taking up small-time ventures to keep themselves and



There is subdued demand for consumer and fast-moving consumer goods across the country during the current financial year.

their families afloat. Women are also venturing out to earn their livelihood or help their family businesses as unpaid workers. It would be totally misplaced to cheer this as coming of age of women employment and promising rise of women LFPR. It would also do grave injustice to romanticise back-breaking toil of penurious, small-time self-employees as entrepreneurship. They certainly



"We need a huge upswing in private sector capital expenditure and a special focus on MSMEs as they are the real contributors to industrial growth, exports and employment."

**AJIT RANADE**  
V-C, Gokhale Institute of Politics  
& Economics

are great entrepreneurs, but out of severe distress and not by choice.

#### The way out

India seems overwhelmed and unable to cater to over 1 crore young people entering the job market every year. Indian economy has to expand at a greater extent and faster pace to support such an explosion of demand for jobs. Only then can higher demand for goods and ser-



"Investment does not take place because consumption is not growing. Consumption is not growing because income is not growing, and income is not growing because jobs are not there."

**MADAN SABNAVIS,**  
Chief Economist,  
Bank of Baroda

vices lead to higher investments and more hiring by businesses. "Investment does not take place because consumption is not growing. Consumption is not growing because income is not growing, and income is not growing because jobs are not there," notes Madan Sabnavis, the chief economist of Bank of Baroda.

Easing rural distress can solve a lot of problems, and it can be done by making agriculture profitable. It is true that high concentration of manpower on the farms should urgently be addressed. Simultaneously, proper execution of various existing schemes can reap rich harvest.

The country, in the meanwhile, has a very peculiar problem. There are a number of jobs that have no takers. There are so many jobless people, but none of them is employable for such jobs. The culprit is a serious shortage of skills. Only an average of 4.7 per cent of the country's workforce has undergone some kind of formal skill training. In Germany and South Korea, for instance, their respective workforce is skilled to the extent of 75 and 96 per cent respectively. The governments present and past have unfurled skill development programmes and agencies. But skill training is imparted in an old-fashioned way without actually involving the industry. A proper public-private partnership and industry-centric training programmes can do a world of good and fill up many vacant posts.

Micro, small and medium enterprises (MSMEs) are truly the engines of economic growth and big job creators. "We need a huge upswing in private sector capital expenditure and a special focus on MSMEs as they are the real contributors to industrial growth, exports and employment," points out Ajit Ranade, the vice-chancellor of Gokhale Institute of Politics & Economics, Pune.

But sadly, the country's small businesses are in deep trouble, and a lack of finance is their biggest



problem. A recent IFC-Intellicap study estimates credit gap for Indian MSMEs at a huge over Rs 16 lakh crore. According to official records, Pradhan Mantri Mudra Yojana (PMMY), a flagship loan scheme of the government for MSMEs, has so far sanctioned and disbursed around Rs 23 lakh crore loans to small businesses in the past eight years since the scheme began.

The Mudra loan scheme is a right step in the right direction. But the quantum of money disbursed in the past is insufficient, with MSMEs funding needs growing each year. Moreover, most of the loan sizes – around 80 per cent, according to many analysts – are within the lowest ticket size of up to Rs 50,000. The problem with the MSMEs is especially regarding the medium enterprises, which can employ a lot of people and can operate on a large scale and size. However, they are the ones facing the worst fund crunch. An overhaul of Mudra and other schemes and their proper implementation can perhaps get this engine of growth cranked up once again.

It would be too much to expect large industries to increase their payroll. This is particularly true at a time when boardrooms of big business houses are exploring ways and means of greater deployment of industrial automation and artificial intelligence (AI). A democratic government can certainly not force these industries to hire more. But there is an intelligent way out. The government can introduce very attractive incentives for industries that employ more people and maybe even impart skill training to them. A similar approach could be taken to redesign the Production-Linked Incentive (PLI) Scheme by prioritising employment over investment and production.

Startups are, of course, pushing new frontiers. But these are just early days, and the newcomers will have to go a long way and do more to change

## Stagnant Earnings



Average incomes of self-employed much lower than average regular wages shows that most self-employed are in low-paying activities.

Category	2017-18	2022-23
Self-Employment	Rs 12,318	Rs 13,347
Casual Wage	Rs 6,959	Rs 7,899
Regular Wage/Salary	Rs 19,450	Rs 20,039

Figures are average monthly earnings.  
Source: PLFS 2023



“India’s labour market is undergoing a deep structural transformation with self-entrepreneurship across all echelons and higher education emerging as key enablers.”

### SBI RESEARCH

the landscape of labour market. Glamour around startups and unicorns notwithstanding, startups in India have created only around 9 lakh jobs in the past seven years since the launch of Startup India programme. Those numbers are like a small drop in the ocean, given India’s over 41-crore-strong workforce and many more crores of aspirants looking for jobs.

The list of options to generate

more jobs can go on and on. But it would be meaningless if, in the first place, there is no acknowledgement of a job crisis and no proper means to identify the extent of joblessness. Since 2017, job market surveys or the PLFS have become more meaningful and insightful. Yet many inconsistencies that linger distort the true picture of the labour market and hide the inherent pain. The government must take the lead here and ensure that the official survey adheres to the best global standards.

But that does not seem to be happening any soon. On the contrary, a new narrative of the rise of modern Indian entrepreneurship and drastic fall in unemployment rate is already gaining ground. This is a dangerous development. It may turn the country’s much-anticipated demographic dividend into a demographic disaster.



# Half-Baked Measure

Extension of free foodgrains for five more years serves more as a poll-time freebie and does little else.



SHIVANAND PANDIT

If it is election season in India, it is time for giveaways or freebies. Recently, while campaigning in Madhya Pradesh and Chhattisgarh, Prime Minister Narendra Modi declared that the Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY) would be extended for another five years. The PMGKAY provides free foodgrains to the needy families, and this provision was set to expire in December 2023.

While this is a welcome move for families struggling with economic adversity, it raises questions about whether rice and wheat alone can provide a healthy diet and whether such a large percentage of the population still requires free rations to survive.

## What is PMGKAY?

India administers the world's biggest food-based welfare programme, initially known as the Public Distribution System (PDS) in the 1940s, which later became the targeted PDS (TPDS) in 1997. The programme was eventually rehabilitated and converted into the National Food Security Act (NFSA) in 2013, and then in Jan-

uary 2023, it was retitled PMGKAY.

The programme aims to give at least 600 lakh tonnes of ration, mainly rice and wheat, to 81.3 crore identified beneficiaries annually. The NSO (National Statistics Office) states that an average Indian consumes approximately 10 kg of cereals every month.

Under the PMGKAY, the government supplies 5 kg or 50 per cent of the individual's monthly cereal requirements free of cost. Over the years, the programme has experienced important modifications, including the recognition of

beneficiaries and the price at which ration is sold, also known as the central issue price (CIP). In 2013, under the NFSA, the CIP for rice, wheat and coarse cereals was set at Rs 3, Rs 2 and Re 1 per kg respectively. These CIPs were decreased to zero in January 2023 for a year.

In the latest campaigns in poll-bound Chhattisgarh and Madhya Pradesh, PM Modi extended these "zero CIPs" for another five years until December 2028. Zero CIPs or free ration under PMGKAY save a beneficiary household about Rs 50 to Rs 105 per month. It converts to an annual saving of about Rs 600 to Rs 1,260 per family. For poor families, this support is significant.

According to the recently-published Bihar caste survey report, one in every three families in Bihar lives on around Rs 200 per day. Moreover, with rice and wheat inflation reaching double digits since the previous year, the guarantee of free food can bring relief to several families throughout India.

## A gloomy tool

After criticising Opposition-led States for giving away freebies to citizens and being populist at the expense of fiscal health, the NDA government at the Centre seems to be succumbing to the same issue. The prime minister's announcement that the PMGKAY – which was initially introduced as a COVID safety net and has been extended since then – will become a permanent feature for the next five years seems to be a populist move as well.

Food Corporation of India (FCI) bears the cost of acquiring foodgrains from farmers at minimum support prices (MSPs), storing the produce and distributing it to public distribution outlets across the country. The plan had an expenditure of



After criticising the Opposition for doling sops, PM Modi has also succumbed to populist measures through PMGKAY.

around Rs 2 lakh crore in 2023, but it could rise if FCI's costs increase.

The cost of the programme itself is not the problem. With a Union Budget of over Rs 45-lakh crore, India can afford to fund schemes that address the nutritional needs of the poor. However, the current form of the PMGKAY cannot achieve this objective. The primary question is if 81 crore Indians, which are around 58 per cent of the population, are so impoverished that they need government support to purchase staples.

Research institutions have demonstrated that India has made substantial progress in reducing extreme poverty. The NITI Aayog's recent report on multi-dimensional poverty estimates that the proportion of multi-dimensionally poor people (those lacking multiple amenities ranging from nutrition to banking access) was around 15 per cent of the population in 2019-2021. This report has also estimated that around 32 per cent of Indians are malnourished. Redesigning the PMGKAY to provide free ration only to the most deserving segments of the population can reduce leakage and subsidies.

The second question is nutritional deficiencies and not hunger are the primary issue faced by India's masses. So, it is time for the policy focus to shift to address this. To enhance nutritional outcomes, the PDS needs to diversify beyond cereals to include proteins such as pulses and millets as well as essential household items like edible oils. Ultimately, community kitchens that provide balanced, cooked meals to the targeted population at subsidised rates may work even better.

The PMGKAY is as much a safety net for farmers as it is for consumers. Large-scale central procurement of paddy and wheat at fixed prices ensures that the MSP for these cereals holds sway in the markets. However, with procurement efforts focused on two staples, only a few



**PMGKAY must be redesigned to provide free ration only to the most deserving segments of population.**

### **PMGKAY: A Futile Exercise**

- Doubts over PMGKAY's 81-crore beneficiaries amid many lower poverty estimates
- Does very little to address nutritional needs of the poor
- Undue focus on just two cereals at the cost of pulses, fruits and vegetables
- True level of poverty unclear in the absence of latest Census and other surveys

farmers in certain states benefit. Although cutting back on the procurement of cereals and increasing purchases of other crops may not be a politically easy shift, it can send the right message on crop diversification while creating a more efficient PDS.

According to sources, the distribution of free foodgrains for five more years is expected to cost an additional Rs 40,000 crore in the current financial year. However, government sources do not see any impact. The government had allocated Rs 1.97 lakh crore for food subsidy for FY24, of which it has spent over Rs 95,000 crore or 48 per cent, in the April

to September first half. With the scheme extended, the government may need more money in the remaining part of the ongoing financial year (from January 1 to March 31, 2024).

#### **The way forward**

Indian economy has exhibited amazing resilience to global disasters, upholding a fast-growth trajectory. However, it is unclear whether this development has led to uplift of the bottom of the pyramid. Without any recent data on Indian consumers (the last NSO data was issued in 2011-2012), policy modifications can be tricky. India awaits official data on consumption and the complete Census outcomes to understand the level of deprivation or poverty in the country.

As the nation approaches general elections in 2024, the extension of the PMGKAY is a sign of optimism, resilience and a political statement. It is a pledge that no Indian should go hungry. However, while the extension takes care of the immediate future, the government must not lose sight of the supreme goal of empowering citizens to avoid subsidies. As the Chinese proverb goes – “Give a man a fish, and you feed him for a day. Teach him how to fish, and you feed him for a lifetime.” ■

*(The author is a tax specialist based in Goa.)*



# A New Venture

Servotech Power Systems sets up a subsidiary, Servotech EV Infra, and forays into EV charge point operator business.



Servotech's new arm plans to establish 5,000 EV charging stations across the nation in upcoming years.

## IBJ BUREAU

**S**ervotech Power Systems Ltd, India's premier electric vehicle (EV) charger manufacturer, proudly declares creation of its wholly-owned subsidiary, Servotech EV Infra Pvt Ltd. With experience of more than 20 years, the company has been the leading EV charger provider to various renowned oil marketing companies and EV charging station providers. Now, Servotech Power Systems is foraying into the EV charge point operator (CPO) business by establishing its wholly-owned subsidiary. Servotech Power Systems will manufacture and supply EV chargers to Servotech EV Infra, and the subsidiary will run the business as a CPO for these EV chargers. This development will clearly define the different roles of the two businesses and safeguard their individual interests.

The EV charging market is expected to grow rapidly in coming years as the government is targeting 30 per cent of all vehicles to be electric by 2030. Servotech EV Infra is well positioned to capital-

ise on this growth, with its strong track record and expertise in the EV charging technology. With a dedicated mission to contribute significantly to India's e-mobility goals, Servotech EV Infra Pvt Ltd aims to establish 5,000 EV charging stations across the nation in upcoming years, which will result in creation of a robust EV charging infrastructure, ultimately leading to development of sustainable transportation.

Commenting on the announcement, Servotech Power Systems Ltd Founder and Managing Director Raman Bhatia stated: "Our company has consistently led the way in innovating within the EV charging sector, and the creation of Servotech EV Infra Pvt Ltd is a natural progression in our journey. This development will prove to be a significant game-changer. Being the top EV charger manufacturer and holding a significant share of the EV charger market, we acknowledge the substantial responsibilities that accompany this position. The recent expansion into the EV CPO business with Servotech EV Infra reflects our dedication to playing an important role

in advancing the EV infrastructure landscape and catering to growing number of EVs in the country. This subsidiary seamlessly integrates with our mission of providing reliable and accessible charging solutions, addressing the critical need for a well-developed charging network to support the EV market. We are optimistic that our efforts will contribute significantly to completing this mission, solidifying our position as a prominent player in India's sustainable and thriving EV ecosystem."

Further, the company's board approved the issue of preferential warrants to various promoter and non-promoter group persons, subject to approval of members. The warrants will be issued to FIIs (Foreign Institutional investors) – AG Dynamic Funds Ltd, Minerva Ventures Fund, Coeus Global Opportunities Fund-1 and Forbes EMF – among other non-promoter group persons. The said warrants will also be issued to Mr Bhatia. The company will raise a total of up to Rs 73.80 crore through the issue of these convertible warrants.

Servotech Power Systems is an NSE-listed company that develops tech-enabled EV charging solutions, leveraging its over two decades of experience and expertise in the electronics space. The company offers an extensive range of AC and DC chargers which are compatible with different EVs and serve multiple applications such as commercial and domestic. With its comprehensive engineering capabilities, the company plans to play a pivotal role in developing India's EV tech infrastructure. A trusted brand with a strong pan-India presence, Servotech Power Systems' legacy is marked by proven innovation and distribution of high-end LED lighting and UV-C disinfection products, along with medical-grade oxygen concentrators and its makings.



## MSME Clusters

Total 580 projects {227 Common Facility Centers (CFCs) & 353 Infrastructure Development (ID) projects} under Micro and Small Enterprises – Cluster Development Programme (MSE-CDP) are approved across the country, out of which, 307 projects (97 CFCs & 210 ID projects) have been completed. No State/UT Govt. has reported any non-functional MSME cluster in their respective State/UT under the scheme. Tamil Nadu tops the list with 99 MSME clusters functional (completed & ongoing) followed by Maharashtra with 43 and Andhra Pradesh with 40 such projects. Haryana and Rajasthan have 38 each whereas Uttar Pradesh is having 32 such projects. Gujarat is having only 19 number of projects.

Ministry of MSME is implementing Micro and Small Enterprises – Cluster Development Programme (MSE-CDP) across the country. The objective of the scheme is to enhance the productivity and competitiveness of Micro and Small Enterprises (MSEs) for their holistic development adopting cluster approach through financial assistance as Government of India (GoI) grant for establishment of Common Facility Centers (CFCs) in the existing clusters and for establishment of new / up-gradation of existing Industrial Areas / Estates / Flatted Factory Complex.

MSE-CDP is a demand driven Central Sector Scheme wherein, State Governments send proposals for establishment of Common Facility Centers (CFCs) and establishment /up-gradation of Infrastructure Development (ID) projects as per requirements in clusters.

## CGTMSE Impact On MSMEs

The Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) has approved and extended the guarantees to 78,06,655 Micro and Small Enterprises under the Credit Guarantee Scheme for Micro and Small



Enterprises, since inception in 2000 till 31.10.2023.

Ministry of MSME organises various awareness programmes in association with Industry's Associations, Micro and Small Enterprises and Banks. As informed by CGTMSE, during the current year 52 programmes and training sessions for Banks/Financial Institutions have been organized.

As per the guidelines of Credit Guarantee Scheme for Micro and Small Enterprises, CGTMSE provides credit guarantee to its Member Lending Institutions (MLIs) for the credit extended by them to Micro and Small Enterprises under the Credit Guarantee Scheme for Micro and Small Enterprises. As per the Gazette Notification dated 18.10.2022, "In case of an upward change in terms of investment in plant and machinery or equipment or turnover or both, and consequent re-classification, an enterprise shall continue to avail of all non-tax benefits of the category (micro or small or medium) it was in before the re-classification, for a period of three years from the date of such upward change."

This information was given by the Minister of State for Micro Small and Medium Enterprises, Shri Bhanu Pratap Singh Verma in a written reply to the Rajya Sabha recently.



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# “Dream It, Build It”

**S**hariq Sheriff firmly believes that creating exceptional experiences drives success. The dynamic co-founder of Area83 – one of the premier luxury adventure sports resorts based in Bengaluru, has precisely created exceptional experiences for his customers at Area83 and is reaping its success. A multifaceted professional with talents spanning various domains, Mr Sheriff has a rich background in art direction, landscape design, architectural design, resort development and hospitality industry. He is well known for his expertise in the realm of outdoor adventure and adventure park design and setup.

After completing his undergraduate degree in business management from St Joseph’s College of Commerce, Mr Sheriff pursued his master’s degree in international business from University of Exeter in the UK. His quest for skills and experiences led him to Kalu Yala University in Panama, where he obtained a diploma in outdoor recreation and film making, further broadening his horizons.

Mr Sheriff’s hands-on approach has allowed him to build Area83 from the ground up, instilling it with his unique vision and unwavering commitment. **Sharmila Chand** chats up with Mr Sheriff and is awe-stricken by his dedication and commitment to building his dreams and strengthening them with solid management principles and practices.

## Your five management *mantras*

- **Dream it, build it:** My foremost *mantra* reflects the unwavering belief that if you can dream it, you can build it. In the world of management, this translates into encouraging visionary thinking and fostering a culture of innovation.
- **Hands-on leadership:** This *mantra* advocates that effective managers should lead by example, getting involved in the nitty-gritty of their projects and businesses. By actively participating in execution of ideas, managers can gain a deeper understanding of their operations and inspire their teams through their commitment.

- **Exceptional experiences drive success:** My success with Area83 revolves around the principle that creating exceptional experiences is the key to attracting customers and guests. In management, this *mantra* emphasises the significance of customer-centricity.

- **Cross-disciplinary skills:** I have a diverse skill set, ranging from art direction to architectural design. A multi-disciplinary approach can lead to innovative solutions and a broader perspective when facing complex challenges.

- **Commitment to safety and well-being:** My first-aid responder certification highlights the importance of safety and well-being in my management philosophy. It underscores the significance of prioritising health, safety and welfare of employees, customers and stakeholders.

## A game that helps your career

I play competitive football. The sport enriches my professional life by instilling valuable lessons. Football emphasises teamwork, a concept I integrated into management to foster collaboration, communication and unity among my teams. It also imparts discipline and resilience, vital for managing complex projects like resort development.

## Turning point in your career

The turning point in my career occurred during a bungee jumping experience in New Zealand. Immersed in an array of adventure activities, I was struck by the absence of similar experiences in India. This epiphany inspired me to conceptualise Area83, India’s premier luxury adventure sports resort. This pivotal moment crystallised my vision for offering world-class adventure and hospitality, ultimately shaping my career trajectory.

## Secret of your success

I attribute the success to unwavering commitment to hard work and an absolute focus on my objectives. I believe that success is not merely a product of ambition but the outcome of continuous, purposeful endeavour.

“By actively participating in execution of ideas, managers can gain a deeper understanding of their operations and inspire their teams through their commitment.”

**SHARIQ SHERIFF**  
Co-Founder, Area83



**“In the face of challenges and setbacks, persistence is the driving force that propels one forward. It signifies the ability to endure, adapt and overcome obstacles with determination.”**

### **Your philosophy of work**

Love what you do, and infuse it with unwavering passion. I firmly believe that this approach is essential to sustain interest and unlock one's full potential.

### **A person you admire**

I hold my father, Mr Akmal, in deep admiration for his relentless work ethic and remarkable business acumen. Inspired by my father's tireless dedication, I comprehend that genuine success is a product of unwavering hard work and determination, a lesson that I carried forward in my career.

### **Best advice you got**

The most impactful advice I have received was to tenaciously pursue dreams and wholeheartedly follow passions, instilling in myself a resolute can-do attitude that fuels my journey.

### **Your sounding board**

My sounding board is my brother, Tariq, who provides valuable insights on the practical aspects of ventures while contributing to expansion of my visionary undertakings. Tariq's sense for execution complements my innovative vision.

### **Your favourite books**

*The 7 Habits of Highly Effective Peo-*

*ple* by Stephen Covey holds a special place in the literary repertoire due to its teachings on instilling discipline in one's life to attain success. Through its timeless wisdom, the book imparts insights into cultivating essential habits that not only shape personal and professional excellence but also resonate with my own pursuit of achieving greatness.

### **Your fitness regime**

My approach to fitness is straightforward; it is my love for sports that drives me to stay active. Whether I am engaged in a game of football, or dedicating hours at the gym, or meticulously overseeing Area83's operations, I am on the move and maintain an active and balanced lifestyle.

### **Your message on management to youngsters**

I recognise the value of traditional education. But I also highly encourage pursuit of one's unique dreams and passions. Young, aspiring managers should be open to exploring non-conventional paths and taking risks. They must advance their own dreams rather than being a cog in a machine and building someone else's dream. ■

*Write to us at [chand.sharmila@gmail.com](mailto:chand.sharmila@gmail.com)*

### Huawei to move smart car unit to new JV

China's Huawei has said that it will move core technologies and resources in its smart car unit, which has chalked up robust sales for a number of new vehicles, to a new joint company owned up to 40 per cent by automaker Changan Auto. The new company will engage in research and development, production, sales and service of intelligent automotive systems and component solutions, Huawei has said in a press release. "The new company will work with partners to promote innovation and leadership in smart car technology and promote the prosperity and development of the automotive industry," the release adds.

### Sumitomo CEO Jun Ohta no more



Sumitomo Mitsui Financial Group (SMFG) has said that its Group CEO Jun Ohta, 65, has died of pancreatic cancer. Japan's second-biggest lender after Mitsubishi UFJ Financial Group has said that it plans to announce a successor in the near future. Until the new appointment, Deputy President and Executive Officer Toru Nakashima will perform CEO duties, the bank has added. Mr Ohta had joined the Sumitomo Bank in 1982 and risen to Group CEO in April 2019. He also served as a vice-chairman of Keidanren, Japan's biggest business lobby. Mr Ohta had recently sought to expand SMFG's footprint in overseas markets.

### Setback for Apple in \$14-bn EU tax case

An EU tribunal had made

### Tesla plans \$26,838-car in Germany



legal errors in a \$14-billion tax order favouring Apple and should review the case again, an adviser to Europe's top court has said in a potential setback for the iPhone-maker. The tax case against Apple was a part of EU antitrust chief Margrethe Vestager's crackdown against deals between multinationals and EU countries that regulators saw as unfair State aid. In its 2016 decision, the European Commission had said that Apple had benefited from two Irish tax rulings for more than two decades that had artificially reduced its tax burden to as low as 0.005 per cent in 2014.

Tesla plans to build a \$26,838-car at its factory near Berlin, a source with knowledge of the matter has said. This is a long-awaited development for the electric vehicle (EV)-maker which is aiming for mass uptake of its cars. The source has not said when production will begin. Tesla has also declined to comment. Steep price tag of electric cars – compounded by high interest rates – is one of several factors holding back uptake of the technology in Europe and the US, consumer surveys show. The average retail price of an EV in Europe is over 65,000 euros as against just over 31,000 euros in China.

### ICBC hit by ransomware attack



The US arm of the Industrial and Commercial Bank of China (ICBC) was hit by a ransomware attack that minimally disrupted trades in the US Treasury market last month. The company in a statement has said that it is investigating the attack that disrupted some of its systems and making progress towards recovering from it. Immediately after discovering the hack, ICBC "isolated impacted systems to contain the incident," the statement has added. ICBC has not made public the specifics of the attack nor the attacker behind it. However, the Financial Times has reported that a ransomware called Lockbit 3.0 was behind the attack.

Saudi Aramco has discovered two new natural gas fields in the Empty Quarter region, the State news agency quoted Saudi Energy Minister Prince Abdulaziz bin Salman as saying. The discovery of the Al-Hi-ran gas field was confirmed after gas flowed at a rate of 30 million standard cubic feet per day and 1,600 barrels of condensate daily. The Al-Mahakik gas field was confirmed after gas flowed from it at a rate of 0.85 million standard cubic feet, the agency has said. Aramco, overwhelmingly an oil producer, aims to boost its gas production by 50 per cent by 2030 from its 2021 level.

### Saudi Aramco finds 2 new gas fields



China's direct investment liabilities in its balance of payments declined by \$11.8 billion in the third quarter of 2023. The measure records monetary flows connected to foreign-owned entities in China. China's other main measure of FDI inflows, released by the Commerce Ministry, reached \$125.8 billion in the first three quarters of this year, down by 8.4 per cent compared with the same period in 2022.

**China FDI turns negative for first time**

### China, Japan & South Korea forge tieups

China, Japan and South Korea have agreed to restart cooperation and pave the way for a summit in the latest move to ease tensions between the Asian neighbours. The foreign ministers of the three countries met in the South Korean port of Busan for their first such meeting

### China, Japan & South Korea forge tieups

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last month since 2019 after officials of the three countries had agreed in September to arrange a trilateral summit at the “earliest convenient time”. Beijing, Seoul and Tokyo had agreed on annual summits from 2008 to bolster diplomatic and economic exchanges, but two-way rows and the COVID pandemic had interrupted the plan.

### Sacked Altman returns to OpenAI



Sam Altman returned as CEO of OpenAI just days after his ouster – which had led to revolt by the company’s staff – capping frenzied discussions about the future of the startup at the centre of an artificial intelligence (AI) boom. The ChatGPT-maker also unveiled a new initial board with former Salesforce co-CEO Bret Taylor as chair and Larry Summers, the former US Treasury Secretary, and Adam D’Angelo as directors. The original board had given scant explanation for Mr Altman’s firing other than his lack of candour. Analysts note that the reshuffle will favour Mr Altman and Microsoft, which has pledged billions of dollars into the startup

### Currency clash hits Russian oil trade

One of Russia’s most lucrative oil trade routes since imposition of Western sanctions over Ukraine conflict faces a major challenge because of drawbacks of payment in currency other than dollars, with no short-term solution in sight. For decades, the US dollar has been the currency of international oil trade and efforts to find alternatives have been thwarted by diffi-

## Online beats physical in Black Friday sales

Mastercard Spendingpulse has said that US retail sales on Black Friday rose by 2.5 per cent year-over-year. However, e-commerce sales on the same day increased by 8.5 per cent year over year as consumers shopped for deals online, while in-store sales increased by 1.1 per cent, Mastercard Spendingpulse said. Black Friday refers to the day after the US Thanksgiving holiday, when retail sales are traditionally strong. US shoppers spent a record \$9.8 billion online during Black Friday this year, according to data from Adobe Analytics, which was in line with expectations of the data and insights arm of software firm Adobe.



## ByteDance set to shut down Nurverse

TikTok-maker ByteDance plans to wind down its Nurverse gaming brand and retreat from mainstream video games, four people familiar with the matter have said. ByteDance has said it has decided to restructure its gaming business after a review, without giving further details. “We regularly review our businesses and make adjustments to centre on long-term strategic growth areas. Following a recent review, we have made the difficult decision to restructure our gaming business,” the company’s spokesperson has said. The sources reveal that ByteDance will tell employees to stop working on unreleased games by December, and that it will look for ways to divest from titles already launched.



## UniCredit taken off FSB’s list of banks

The Financial Stability Board (FSB) has removed Italy’s UniCredit from the list of global systemically-important banks and moved three banks, including Switzerland’s UBS, up a bucket. The G20’s FSB began the annual rankings after the global financial crisis, requiring the world’s biggest lenders to hold an extra buffer of capital, calibrated across five so-called buckets and to undergo tougher scrutiny of their operations. UniCredit, which was the only lender in Italy among those deemed as being of global systemic importance by the FSB, had no comment. Along with UniCredit, Credit Suisse was removed from the list, and China’s Bank of Communications was added for the first time.



culties of conversion as well as political obstacles. The problems flared when India – which has become Russia’s biggest buyer of seaborne oil since European customers retreated – insisted in July on paying in rupees, and the trading activity nearly fell apart, according to sources.

### Staff reduction at VW to slash costs

Volkswagen’s (VW) \$10.9-billion savings programme will include staff reductions, managers have told staff recently as brand chief Thomas Schaefer has warned that high costs and low productivity are making its cars uncompetitive. The German carmaker is in the midst of negotiations with its works council over a cost-cutting scheme at its VW brand, the first step in a group-wide drive to boost efficiency in the transition to electric cars. “With many of our pre-existing structures, processes and high costs, we are no longer competitive as the Volkswagen brand,” Mr Schaefer told a staff meeting at the carmaker’s headquarters in Wolfsburg recently.

### Getting inflation to 2% tough: BoE’s Bailey

Bank of England (BoE) Governor Andrew Bailey has said that getting inflation down to the central bank’s 2 per cent target will be “hard work” as most of its recent fall has been due to unwinding of the jump in energy costs last year. “The rest of it has to be done by policy and monetary policy,” Mr Bailey has said. “And policy is operating in what I call a restrictive way at the moment – it is restricting the economy. The second half, from there to two, is hard work and obviously we don’t want to see any more damage,” Mr Bailey has said.

# A Tell-All Tale

Former Finance Secretary Subhash Chandra Garg's new book is a fly-on-the-wall account of proceedings within the Union Finance Ministry.

**E**conomic policy has a direct impact on how people live, eat, work and spend. It governs every aspect of life, and finance secretaries are central to how economic policy is made and implemented. In this book, Subhash Chandra Garg, the former economic affairs secretary and finance secretary, tells the inside story of how economic policy is made and unmade at the highest levels in the Union government.

In his book, Mr Garg has been outright critical about Finance Minister Nirmala Sitharaman, under whom he had served for over 50 days before being shunted as power secretary. This unceremonious transfer and demotion had ultimately led to Mr Garg seeking voluntary retirement. However, his book showers praises on the late Arun Jaitley, Ms Seetharaman's predecessor. It is also full of admiration for Prime Minister Narendra Modi, Home Minister Amit Shah, Principal Secretary P K Mishra and former Principal Secretary Nripendra Misra, among a few more top bureaucrats.

Interestingly, Mr Garg's equation with then Reserve Bank India (RBI) Governor Urjit Patel was perhaps never even cordial, with North Block and Mint Street clashing on several issues between mid-2017 and end-2019. A major point of contention was the central bank's Economic Capital Framework (ECF), which determines how much reserves the RBI should hold and how much money could be transferred every year to the Central government as surplus or dividend.

Mr Patel's reluctance to part with reserves of the central bank for transferring them to the Union government had even prompted Prime Minister Modi to compare Mr Patel to a "snake who sits over a hoard of money", reveals Mr Garg. He writes that the prime minister had convened a meeting to review the state of the economy amid a difficult economic situation in September 2018. During the meeting, a consid-

erable strain between the government and the RBI was witnessed, leading to Mr Modi losing his cool on Mr Patel and comparing him to the "snake". "I saw him in such an angry mood for the first time, recounts the book.

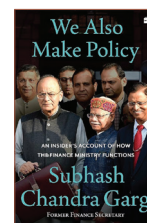
Severe differences of opinion between the government and the RBI over issues related to the ECF and the central bank's Prompt Corrective Action framework for banks finally resulted in Mr Patel and later then RBI Deputy Governor Viral Acharya putting in their papers and shocking the country, writes Mr Garg.

Writing about his chances of succeeding Mr Patel as RBI governor, Mr Garg adds: "In terms of professional abilities and competence, I thought I was qualified to be the RBI governor. However, I also realised that I had been virtually at the forefront of the tussles between the RBI and the government in the past six months. As I was the face of the government, I was quite likely to be persona non grata for RBI management and staff."

This book is a fly-on-the-wall account of proceedings within the Union Finance Ministry. It talks rather candidly about controversial decisions from the first tenure of the NDA government, such as the politics of Minimum Sup-

port Price to farmers, electoral bonds, recapitalising of banks, monetising national assets and the controversial resignation of Mr Patel, among others. As the author of three Union Budgets, Mr Garg also talks about what it takes to put the Budget together: the pressures, the processes, the calculations and, above all, the politics.

## WE ALSO MAKE POLICY



**Author:**

Subhas Chandra Garg

**Publisher:**

HarperCollins India

**Pages:**

520

**Price:**

Rs 799



### About the author

*As a member of the Indian Administrative Service (IAS) for more than 36 years, Subhash Chandra Garg was deeply involved in public administration, execution of development programmes, managing State-level institutions, making Budgets, both at State and Central government levels, and policymaking. He was the economic affairs secretary and finance secretary of the Union government. After taking voluntary retirement from the IAS in October 2019, he now works as a policy observer, strategist, commentator and writer on important economic and financial policy issues.*

# Tracing Brands' Journeys

What sparked Ashish Hemrajani's idea of an online ticketing business, BookMyShow, at a time when Indians had not yet moved their lives online? How did Anupam Mittal's own experience of finding a life partner led him to create Shaadi.com? Why did India's Pad Man Arunachalam Muruganatham get involved with menstrual health? How did the people behind Paper Boat hit upon the secret sauce of childhood memories to connect with customers? What made the founders of Zomato and Byju's think that food and education respectively can be delivered to people's doorstep?

In this book, Harsh Pamnani shares the journeys of eleven made-in-India brands that have made their mark in highly-competitive markets. Besides recounting stories of the successful business ventures, the book gives insight into the people behind these brands. It is a passionate initiative to showcase invaluable lessons from the hard-earned success of new-age Indian brands across various industries and domains. It aims to be an invaluable

resource for entrepreneurs and marketers looking to establish resilient brands in the competitive Indian market.

There are many made-in-India brands that are getting noticed at the global stage, but their journeys are mostly unnoticed. Author Harsh Pamnani's book does precisely this by bringing together the inspiring journeys of the brands in the form of referable case studies. It is an essential handbook for anyone interested in understanding how to create an admirable brand from scratch. This fun, informative read blends business lessons for new-age entrepreneurs.

## BOOMING BRANDS



**Author:**

Harsh Pamnani

**Publisher:**

Westland Books

**Pages:**

204

**Price:**

Rs 399

### About the author

**Harsh Pamnani** is a renowned business storyteller and brand expert. He partners with businesses to develop powerful story banks – curated collections of compelling stories that leaders can use in both internal and external communications to grow their mindshare and market share. He has authored several bestselling books and articles on brand building which have been featured in top newspapers, magazines and other publications. Mr Pamnani has worked with a range of organisations, like the World Bank, TiE, Deloitte, Cognizant, HSBC, FirstCry and Icetris, among others.

# Shortfalls Of Indian Fintech

What does it mean to be financially included? Does having an Aadhaar, a Jan Dhan account and a phone make one financially included? Is rural India able to access financial products and institutions comfortably? Is the Fintech revolution actually here?

The biggest problem with fintech in India is that the full potential of financial technology and policy is not really reaching the poorest of the poor. Thoroughly researched and expertly written, the book reveals why many of the existing solutions have faltered and fumbled along

their path to inclusion. But things are not without hope. Through meticulous research across India – from towns in Rajasthan to villages in Goa, from hamlets in Odisha to districts in Telangana and Himachal Pradesh – this book offers simple, human and ubiquitous solutions that can transform the lives of people at the bottom of the pyramid.

## FINTECH FOR BILLIONS



**Authors:**

Bhagwan Chowdhry  
& Anas Ahmed

**Publisher:**

Penguin Random House  
India

**Pages:**

200

**Price:**

Rs 499

### About the authors

**Bhagwan Chowdhry** is a professor of finance and executive director (Digital Identity Research Initiative) at the Indian School of Business and research professor at the Anderson School at University of California, Los Angeles. He received his PhD from University of Chicago Booth School of Business and BTech in mechanical engineering from Indian Institute of Technology, Kanpur. **Anas Ahmed** is the lead research officer for the Digital Identity Research Initiative at the Indian School of Business. He has traversed classrooms, boardrooms and rural communities across India, working closely with CEOs and entrepreneurs of leading financial institutions and startups. He pursued economics from Cardiff University, UK, and has a profound interest in leveraging technology for economic development.





## Aries

Mar 21-Apr 20



In terms of money and finance, Sun and Mars will assist you this month. There is a chance of an increase in income, but savings will not be as anticipated. This month will provide you with some relief from your workload as well as expected financial gain from your job. Practical decision related to financial matter is going to help you a lot to accumulate good gains. There can be unplanned expenditure on travelling with siblings and also on a small celebration with them.

## Taurus

Apr 21-May 21



The Sun's movement will begin to bring good fortune in terms of money and finance. Venus and Ketu suggest that you need to be active with your financial decisions. There can be sudden expenditure on health issues. Insurance-related health or long-term planning is a good option to get rid of loss from a financial crunch. Don't go for major investments without having proper verification. You may incur expenses on travel as well as on children's education.

## Gemini

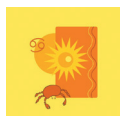
May 22-Jun 21



Saturn suggests that you have patience if you are going to invest money in property. Jupiter can help you with this. So, get expert financial advice so that things will go according to your plan. Some of you may get a foreign job or transfer, which can give you an increment. You should make investment in insurance or a long-term plan. Money recovery will be delayed due to some difficult planetary alignments. Some disagreements with spouse and in-laws are possible due to property-related issues.

## Cancer

Jun 22-Jul 22



Things can improve gradually as indicated by movement of the Moon. This month is not very favourable to give money to others because there can be expenses related to spouse and in-laws. If you are in the teaching field, this month is going to be fruitful in terms of finances. Guidance from a mentor or father will lead to financial success. There can be some unplanned financial expenditures related to your health. There can be some challenges related to paperwork of a loan, but things will improve in the last phase. This month is good financially if you are in event management.

## Leo

Jul 23-Aug 23



This month can bring good financial gains from your business and job. Some of you may get opportunity to earn well from digital platform. Planetary alignment is ready to provide success in obtaining incentives. There can be some expenditure in changes to the interior and also on business work, as indicated by Venus. There can be some financial problems because of a loan. The Sun can delay getting favour from government for loan-related business. Some of you may get financial support from your mother.

## Virgo

Aug 24-Sep 23



This month is going to be average in terms of financial matters. A business partner may request financial assistance, leaving you short on funds. Avoid arguing with your spouse and in-laws because this can result in unexpected financial or property loss. Unplanned travel can lead to financial outlays. There can be expenses for the spouse and in-laws. There may be financial expenditure for in-home construction or chances of buying a new home. A change in the interior can also lead to unplanned expenditure for you. You must first complete any outstanding work related to finance before proceeding with a new shopping list.

## Libra

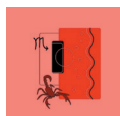
Sep 24-Oct 23



This month could be a good time for long-term financial planning and strengthening your financial status by using all available resources efficiently. As you will have the blessings of Jupiter, there can be more power and resources available to you during this period, which will help you establish a secure financial status. As the month advances, the North Node may provoke you to make rash decisions. You must avoid overly ambitious moves for rapid financial growth. If you are unable to resist your temptations, your hasty decisions may backfire.

## Scorpio

Oct 24-Nov 22



The month may begin on an uncertain note, and there may be some disturbing conditions on the financial front. But as the month advances, planetary positions seem to be supportive of increasing earnings. Refrain from making a decision related to major financial involvement in haste, as the impact of nodes can be misleading. The period around the mid-month will be favourable for you, and you are likely to enjoy the pleasures of life to the fullest. However, planets will also push you to remain attentive to the requirements of your family.

## Sagittarius

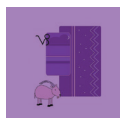
Nov 23-Dec 21



In the beginning of this month, things appear to be encouraging and progressive for financial matters. You may have encouraging opportunities for monetary gains. Matters related to finances may get positive momentum. Your strong desire to succeed and accomplish something will make it possible to strengthen your financial position. Go beyond obstacles, seeking solutions to fulfil your vision. Around the middle of this month, there will be an increase in earnings, and you may also have spare funds.

## Capricorn

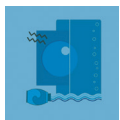
Dec 22-Jan 20



Venus may bring a good inflow of money. But you cannot expect smooth sailing, as Saturn will not grant good results so easily. Gradually, it may bring some good opportunities for improving your earnings. Your potential for savings will be good. Stars indicate that you need to be precautious until the middle of the month. During the latter half of the month, some previous investments may yield fruitful results. It will also be a good period to make investments for the long term. Stars appear to be supportive of your finances and investments at the end of the month too.

## Aquarius

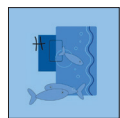
Jan 21-Feb 18



There will be an increase in your income and bank balance during this month. However, there will be some unexpected expenses that may disturb your financial planning, according to Mars. It is advisable for you to avoid incurring unnecessary expenses to save money. If you want to buy property, you may face problems and not be able to make any decisions. Mercury indicates that there are chances of problems in your dealings as well. So, it is advisable for you to be cautious. You will get excellent support from cosmic forces during the latter half of this month, reveals Ganesha.

## Pisces

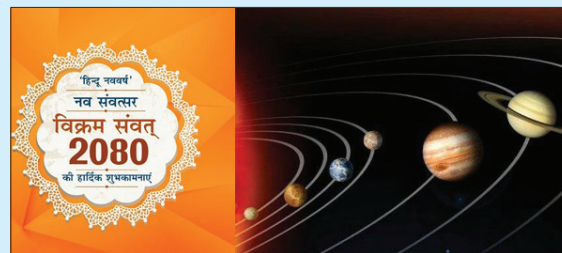
Feb 19-Mar 20



Positive influence of Jupiter will ensure that you will have a good bank balance this month. You will be able to improve your position gradually. This month will keep preparing the ground for lasting financial growth. As the month advances, you will find many opportunities for gain. However, Mars suggests that some unexpected expenses around the middle of this month may put a strain on your financial planning. During the latter half of the month, it will be difficult for you to accelerate your pace to achieve your financial goals as the impact of nodes may bring obstacles, cautions Ganesha.

## A Good Vikram Samvat 2080 For India

If we take the Aries horoscope of Kalpurush, Rahu will be in the twelfth house this year. This position indicates employment problems, obstacles in normal life, disruption in activities, health-related problems and increase in each country's debt. Ketu will be in the sixth house, due to which commercial matters, employees' job security, wages and allowances, general health and personal status are likely to be weak.



**With planetary support, the new year bodes well despite some mixed results.**

Initially, presence of Jupiter in the first house bodes well for the country. From April onwards, Jupiter will travel in Taurus. The movement into the second house is an indicator of economic fortune for the country. It also denotes commercial affairs, trade and stock market. This location will facilitate the country's economic viability and enable companies to spend and make profits.

The Taurus Lagna is rising in the horoscope of independent India. The third house is important for India as there are five planets (Moon, Mercury, Saturn, Venus and Sun), and this place is important for national and international transportation and communication, railway, post office, telecom, print media and relations with neighboring countries. If we look at the position of planets in the Vikram Samvat 2080, Jupiter's orbit will be in the sign of Mars in Aries and after April, the sign of Venus will be in Taurus, which will give overall good results as there is no negative dosha. Since India's Udit Kundli is also Taurus Lagna, India will be more likely to get good results from Jupiter in the second half of the year.

Overall, it is a year that bodes well despite some mixed results. Looking at the long term, the stock market is showing bullish signs with a few ups and downs.

**I**t was indeed a path-breaking moment for both women and economics. Early October, Claudia Goldin, an eminent economics professor of the Harvard University, was awarded the Nobel Prize in economics for her research on women at work. Ms Goldin became the third woman in history to win the Nobel for economics after Elinor Ostrom in 2009 and Esther Duflo in 2019.

Besides, Ms Goldin's accolade is very special because she is the first woman economist to win the Nobel solo, unlike her two predecessors who had to share the prize. Even today, economics remains a heavily male-dominated field. For instance, only three of the 92 economics Nobel laureates are women. Nobel for Ms Goldin is hence more than significant, given the poor state of women's representation across the board.

Like elsewhere in the world, women earn lesser than men in the US too. Ms Goldin set out with a hypothesis that differences in education and occupational choices



may explain this gender gap. But her analysis of over 200 years of data from the US labour market busted many myths about gender pay gap. The Harvard professor was able to show that in many cases men were getting paid more than what women earned even when both men and women held

the same jobs in similar positions.

Her research went on to prove that education and occupation could not be solely blamed for gender pay disparity. Neither could social and economic factors alone explain the gap. Instead, various other factors were at play, and motherhood was one of the major determinants.

Armed with tonnes of data, the economics professor demonstrated how motherhood impeded career progression and earning among women. Women had no choice but interrupt their careers or reduce their hours of work during their maternity period. Even when those women returned to work, they had a lot of catching up to do with their male colleagues, who had been promoted with higher pay packages.

A related research threw up the "power of the pill" or the contraceptive pill, which has been helping in reducing the gender gap ever since it was legalised in the US in the 1970s. The pill has facilitated women to delay

## FACTS FOR YOU

### INCREMENTAL CASH RESERVE RATIO

**I**n September, the Reserve Bank of India (RBI) had announced that it would discontinue Incremental Cash Reserve Ratio (I-CRR) in a phased manner. A month later – since October 7, to be precise – the I-CRR ceased to exist.

Between September and October, the central bank had released 25 per cent of the I-CRR on September 9, another 25 per cent on September 23 and the remaining 50 per cent was released on October 7. The phased end to the I-CRR was brought about with the intention of preventing

any disruption in money markets.

So, what is I-CRR after all, and how it is different from the Cash Reserve Ratio (CRR)? The I-CRR was introduced in August



**I-CRR has proved to be RBI's potent weapon in running money market quite smoothly.**

this year by the RBI to absorb surplus liquidity generated by various factors, including return of Rs 2,000 notes to the banking system.

The I-CRR is one of the tools of the RBI to manage liquidity in the economy. Under the new money market instrument, banks were mandated to maintain an I-CRR of 10 per cent with the RBI on the increase in their net demand and time liabilities (NDTL) – bank deposits in common parlance. On the other hand, the CRR is another money market instrument, which has been in existence for a long time and requires banks to maintain a certain percentage of their total deposits – currently at 4.50 per cent – with the RBI as liquid cash.

The RBI has been a deft manager of liquidity in the system. For in-



their marriage and motherhood, pursue higher education and take up jobs similar to those of men.

Interestingly, her amazing ascendancy in the world of economics would not have happened if she had not signed up for economics at college by a sheer, pleasant accident. Fascinated by microbes, young Goldin entered Cornell University to study microbiology. But a class of eminent economist Alfred Kahn that she attended drew her to economics. After graduating in economics from Cornell University, she also earned her PhD in industrial organisation and labour economics from University of Chicago in 1972.

She joined as an assistant professor at University of Wisconsin, Madison and then moved to Princeton University and later to University of Pennsylvania. In 1990, Ms Goldin shattered the glass ceiling by becoming the first woman to gain a tenured professorship in Harvard University's economics department.

stance, this perfect handling of liquidity in the economy can be seen in the timing of introduction and withdrawal of the I-CRR. The new tool was introduced to absorb excess liquidity in the system after withdrawing the Rs 2,000 notes from circulation. Having handled excess liquidity, the I-CRR has been withdrawn, resulting in phased release of the banks' money back into the system. The release of money back into the system is particularly significant as it takes care of huge demand for liquidity during the October-December quarter, which coincides with the festive season. In short, the I-CRR has proved to be the RBI's potent weapon that helped run the money market quite smoothly.

## SPIRITUAL CORNER

### Purusharth & Prarabdha

**Questioner:** Can prarabdha be changed through the grace of the Gnani Purush?

**Dadashri:** Yes, he can, but in what way? The bitterness of the suffering can be lessened, but the suffering itself cannot be eliminated altogether. When you do not have Self-realisation, if you become angry with someone, or someone gets angry with you, you will feel bad or feel depressed or even aggravated with that person. If you change your inner approach at such a time, then it is considered your purusharth. You can say that such a person is awake. You can only do purusharth when you have the awareness, right? It is because one is 'asleep' that one is unable to do purusharth. That is what is called bhaavnindra.

This is all prarabdha. It is the prakruti that forces you to dance. It makes the actively-restless one dance faster and the lazy one dance slower. The active one says: 'This prarabdhavadi (lazy) is lazy, and I am purusharthvadi (industrious).' Really speaking, you have bound energetic prarabdha; whereas, the other person has bound lazy prarabdha. They are both dependent on circumstance. If a person's business is running well, he is considered purusharthi (industrious), and if it is not, people will say he is prarabdhavadi (lazy)! In fact, it is not like that. Prarabdha (effect) means that it is "free of cost". Purusharth (cause) means that it is something that takes you further; it is something that is earned.

So, not only did he lose saiyam (self-control over passions like anger, pride, deceit and greed), but you lost yours as well. Therefore, you will both go on to a lower life-form (adhogati). Now, if you maintain self-control (saiyam), you will not acquire a lower life-form, as here you will not slip up. The other person may have slipped, but where is your purusharth when you slip along with him?

It is very important to understand this prarabdha-purusharth. How can you call it purusharth, if today you are in the same rut as you were in yesterday? Still, it is not as if that there is no purusharth at all. At the most, perhaps just two to five people in a thousand may have purusharth. It is a very low percentage, and they too do not even know that it is purusharth. They just believe that the one hurrying around is the only one doing the purusharth. People think of purusharth as running around from place to place, working frantically and not sitting idle. They will say things like, 'He is a very purusharthi (hard-working) person. He is a very purusharthi person.' Hey! These 'tops' were born to run around all day! How can you call that purusharth?

#### Purusharth Means Life With Upayog

Purusharth means a life with applied awakened awareness (upayog). Here (amongst the Self-realised), we have pure applied awareness as the Self (shuddha upayog); while everywhere else, there is auspicious awareness (shubha upayog). That which has become inauspicious (ashubha) is turned into auspicious (shubha) through their applied awareness (upayog). So that whatever self-control (saiyam) you might perceive in people is all natural. They do not realise that they are doing purusharth. That is the nature of their prakruti. That which occurs naturally cannot be called purusharth. You know that this is purusharth, and the rest is prarabdha. Real purusharth starts after one becomes a Purush (Self-realised). You would call this 'real' purusharth, and the other is 'relative' purusharth.

To be Continued...

For more information on Dadashri's spiritual science, visit [dadabhagwan.org](http://dadabhagwan.org)



# A Passionate Hotelier

**N**iketa Sharma is a dedicated, driven and passionate restaurateur who has set her mark in the male-dominated hospitality industry. Hailing from Mumbai and daughter of Pradeep Sharma – a former top police officer – and Swikriti Sharma – a jewellery designer – Ms Sharma completed her MBA in international hospitality from the renowned Les Roche, Switzerland. In 2015, she set up The Thane Club – which owns five restaurants in Mumbai. Ms Sharma is currently working on expanding her signature brand, Blah, to multiple cities. In a lively conversation with **Sharmila Chand**, Ms Sharma talks about her passion, work and life.



**NIKETA SHARMA**  
Founder & CEO,  
The Thane Club

## How do you define yourself?

A determined hard worker who is set to make waves in the F&B (food and beverage) and real estate industries

## What is your philosophy of life?

As disciplined and focused I am, I am very chilled out and relaxed with my team.

## What is your passion in life?

I dedicate all my time thinking about my work and how I can make my mark in the industry.

## What is your management mantra?

Making a decision and then working on it to make it right

## What is your work philosophy?

A very relaxed and calm boss who believes that the key to a successful business is keeping your employees happy

## Business leaders you admire the most...

Ratan Tata for his work ethic and commendable people's skills; Chef Vikas Khanna's dedication that took him from the streets of Amritsar to New York

## Your source of inspiration...

My father is my biggest source of inspiration. He is the guiding light who pushes me to believe in myself and my work.

## What do you enjoy the most in life?

I am deeply, madly and hopelessly in love with my work. I also love to go out on long drives, listen to my favourite songs and have my three fur babies – Oreo, Pogo and Gogo – as my passengers.

## What is your fitness regime?

I have recently shifted to Yoga and Pilates to keep myself fit and healthy.

## Ten years from now, where do we see you?

I see myself expanding my brand portfolio manifolds and venturing into real estate too.

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