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Business Today

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INDIA TODAY GROUP

PRE-BUDGET 2022

THE MONETISATION CHALLENGE

Asset monetisation. Privatisation. Disinvestment. The government's manoeuvres to raise additional money from private enterprise for its climbing spends are worthy. But execution has been tardy

The Omicron Pivot: Indian Pharma's New Focus

Roshni Nadar Malhotra in conversation with Udayan Mukherjee

RNI No. 53481/92 ■ FARIDABAD/145/2020-22 BPC Faridabad ■ Date of posting: Tue, Wed & Thursday

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BOOST IMMUNITY NATURALLY

Amla extract

Zinc

Rosehip extract

Natural & Safe VITAMIN C + ZINC chewable tablets for both Adults and Children

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Rosehip extract
60 times higher vitamin c content than an equal amount of other citrus fruit

Amla extract
Natural source of vitamin c

Zinc
Added advantage of a Highly bioavailable form of zinc for Immunity

	NATURAL	SYNTHETIC
Vitamin C Source	- Natural Rosehip & Amla extract is used as Vitamin C source	- Synthetic ascorbic acid is used as Vitamin C source
Distribution	- Even distribution of Vitamin C & Zinc	- Uneven distribution of its compound
GI Distress	- Gentle on stomach	- May cause GI Distress
Tannins Advantage	- Tannins is natural Amla extract helps in immune response therapy	- Tannins are absent in synthetic Vitamin C tablets
Absorption Rate	- Natural, Fast absorption	- Takes longer time for absorption

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The Budget Tightrope Walk

In the best of times, preparing a Budget that pleases the majority of the population is a very difficult task. But when a finance minister has to do that in a completely unpredictable environment, it becomes several times more so. That's what Finance Minister Nirmala Sitharaman will have to do when she rises to present the Budget for 2022-23, as the third wave of the Covid-19 pandemic, driven by the Omicron variant, sweeps the country. Meanwhile, latest data shows retail inflation rose to 5.59 per cent in December 2021, up from 4.91 per cent the previous month, while growth in industrial output slipped to 1.4 per cent in November, the lowest in nine months. The silver lining, however, is that the ongoing Covid-19 wave is not seen to be as devastating as the earlier ones, allowing the government to continue to focus on pushing growth and boosting investment. Besides, tax revenues so far this year have been very buoyant and are expected to surpass FY22 Budget Estimates.

Most analysts and economists reckon that the Finance Minister will have to hike spending to bolster growth, something that last year's Budget also focussed on. A Barclays analysis says Sitharaman could continue to push the fiscal pedal to support the economy and, while the FY22 fiscal deficit estimate could be revised marginally upward to 7.1 per cent from the earlier 6.8 per cent, most economists believe the Finance Minister would want to stick to the fiscal deficit glide path she announced in the 2021 Union Budget, where the deficit is sought to be brought down to 4.5 per cent of GDP by FY26. However, balancing the need to push growth by way of expenditure while keeping the fiscal consolidation target in mind will always be a tough ask.

In this pre-Budget issue, we take a close look at what the Finance Minister's imperatives will be, and how she could raise the resources required to keep the economy on the growth path. One of the most important elements in the resource-raising area is disinvestment where the government has thus far had a very dismal track record. While the FY22 target was an ambitious ₹1.75 lakh crore, the collections so far have been a paltry ₹9,000-plus crore. The focus, therefore, has to be on shoring up resources by way of a mix of disinvestment, asset monetisation and privatisation. *Rajat Mishra* and *Manish Pant* examine all these aspects in our cover package and explore the roadblocks the government faces on the monetisation-disinvestment front. The ₹6 lakh-crore National Monetisation Pipeline—where roads, railway stations, stadia and other underutilised assets are sought to be monetised over the next three years—is all very well on paper. But execution will hold the key to its success. On the disinvestment front, the forthcoming Life Insurance Corporation public offer would ease some pressure. The sale of ailing national carrier Air India to the Tata group was an important breakthrough on privatisation, and a signal that the government was keen to push its disinvestment/privatisation agenda. Budget 2022 will need to demonstrate much more of that resolve. **BT**

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REVOLUTIONISING NATIONAL INFRASTRUCTURE THROUGH SOCIAL INNOVATION, BUILDING INDIA 2.0

India has confronted and succeeded in more than its fair share of the challenges the world has been thrust into. It has come around with equal conviction and more strength and is progressing rapidly as a more sustainable, social innovation-driven technological powerhouse to lead the world into a better future.

According to a global consulting firm[1], technologies like 5G, Internet of Things (IoT), Machine Learning (ML), Artificial Intelligence (AI), and hybrid cloud will transform India's infrastructure. The government is aligned in creating intelligent infrastructure and has made private-public partnerships the cornerstone of this drive. Hitachi India is one of the integral partners in achieving this ambitious milestone by 'Powering good' an assimilated society, a rural Bharat and an urban India, and partnering with the government's future road-map for India 2.0.

> **"We're at the cusp of a new world where India plays the definitive role. The country's mission for building a resilient future, and Hitachi, a dominant partner, is an integral part of this journey and we're overwhelmed with the collaborative roadmap that has been aimed at building an undisputed India across varied business verticals. It is about "Powering good" and assimilating India's rural aspirations with the urban desire through a Connected Citizen Ecosystem, demonstrating responsibilities of sustainability towards citizens and the world. It is about steering India to the future, making it more of a global brand and destination for world business. At Hitachi, our relentless effort is towards shaping ideas, innovation and technology that can support build India 2.0 ."**
>
> **Mr Bharat Kaushal, Managing Director, Hitachi India**

FULFILLING CITIZENS' FINANCIAL SUSTENANCE

Hitachi is extending its core philosophy of 'Powering good' and strengthening India as a financially inclusive nation. Citizen empowerment on handling cash and transacting digitally has been one of the missions for which Hitachi has leveraged its credible and advanced OTxIT solutions to bring financial equanimity robustly. Hitachi Payment Services Pvt. Ltd., a Hitachi Group Company, which is offering cutting-edge cash and digital payment solutions, has made Hitachi Payment Services, one of the foundations of collaborations with the government in this empowerment mission.

POURING ENERGY INTO ENABLING CLEAN INDIA

India, aspiring to be the third-largest economy in less than a decade has made undaunted commitments of how it intends to arrive on the world stage. In line with the astounding modernisation the country has spearheaded, the energy sector is playing the a vital role in raising efficiency, drastically reducing carbon footprint, and enhancing the Environmental values of the citizens and society at large.

Hitachi Energy has been actively contributing towards India's electrification program. As a key stakeholder in nation building, the company has been successfully serving customers including utility, industry, and infrastructure across the value chain and in emerging areas like sustainable mobility, smart cities, energy storage and data centers. With a proven track record, global footprint, and unparalleled installed base, it has also balanced the Social, Environmental and Economic values of the country.

TRANSPORTING SMARTLY, SAFELY, AND SUSTAINABLY

For rapidly progressing India, building world-class national mobility networks of the future has been both visionary, non-negotiable, and ceaseless. Hitachi has made a significant impact on the Government's efforts to modernise railways and to provide a better commuting experience to the citizens. Hitachi Rail has future-aligned railway solutions that incorporate high-performance rolling stocks to advance signalling systems. It has also put the Government's ambitious Dedicated Freight Corridors (DFCs) on the fast track. In 2019, Hitachi was awarded the Project of Mumbai Metro Line 2&7 for the supply of Propulsion System, Auxiliary Power Supply (APS), and Train Control Management System (TCMS). In a nutshell, Hitachi's smart mobility technologies are contributing towards India's transport ecosystem across metro cities and tier 1 & 2 towns while solving the country's growing infrastructure challenges.

BUILDING A SOCIETY OF THE FUTURE

A new Indian society is rising, fast assimilating its agrarian economy into India, an uberised, middle-class urban landscape. Hitachi MGRM Net with a fine blend of technology and value systems is driving a large part of this rural-urban conjoining. It is marketing and implementing state-of-the-art e-Governance systems and services which are based on unique proprietary technologies developed through years of research. The distinctive M-Star™ and M-Gov and developed on the patented concepts of Delivery to Development and Multi-Completeness Solutions, Hitachi has deployed these transformational tools to address the citizen life cycle.

Hitachi MGRM Net is partnering with the government towards digitally transforming the society and 'Powering good', by co-creating solutions that enhance the Social, Environmental and Economic values of the society. M-Star™ learning Support Platform, a revolutionary, collaborative method of learning at the doorstep, is another social innovation Hitachi has brought about in the country for citizen service.

PUTTING IT AT THE HEART OF EVERY SOCIAL INNOVATION

India's flagship programme "Digital India" has enabled the country to set many global benchmarks, such as one of the world's largest biometric-based digital identity Aadhaar and the largest digital democracy platform myGOV. Hitachi Systems Micro Clinic Pvt. Ltd., a Hitachi Group Company and pioneer in systems integration, is delivering the large infrastructural, social, and institutional solutions behind such transformational breakthroughs. The underlying philosophy: bring 'people-centric innovations' by putting the customer at the core of a business strategy. It has, for instance, facilitated technology-driven digital banking initiatives by leveraging private cloud technology "Meghdoot" and developing a data lake concept.

RISE OF A GLOBAL INDIA

Finance, mobility, energy, governance, and citizen life cycle together contribute towards the growth of an economy and gives rise to a welfare state that are all interconnected by the advent of social innovation fuelled by technology. With contribution in all these areas from the realm of future technology and social innovation business concepts, Hitachi is not only partnering with India for its future journey but also transcending its vibrant society into the path of progress on a higher plane. What Hitachi is building today is becoming significant for India tomorrow. A new nation is rising on more world-class solutions that are serving globally and making India a global brand.

Source Link
1https://home.kpmg/in/en/home/insights/2020/12/reimagining-india-post-covid-19.html

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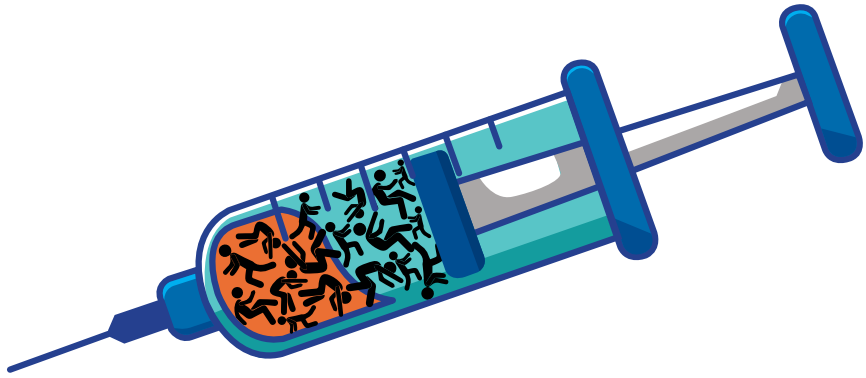
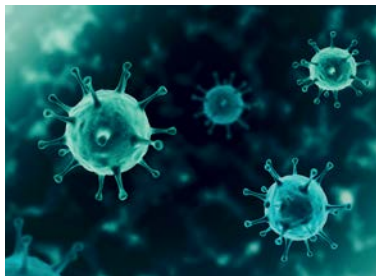
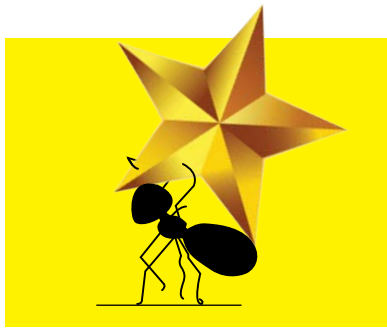






THE BUZZ

PHOTOGRAPHIK

PHOTOGRAPH BY **BANDEEP SINGH**
Text by **RAHUL OBEROI**

Data as of January 18, 2022

Source: cowin.gov.in, media reports

THE JAB REPORT

INDIA IS EXPERIENCING THE THIRD WAVE OF COVID-19 A YEAR AFTER IT BEGAN VACCINATIONS. HERE'S A STATUS REPORT

1.58
BILLION
Number of vaccine doses administered in India so far

70
PER CENT
The percentage of adults fully vaccinated in India

38
MILLION
Number of teens in the 15-18 age group that have received their first dose

50.3
PER CENT
Percentage of the world population that has been fully vaccinated

BUDGET MATTERS

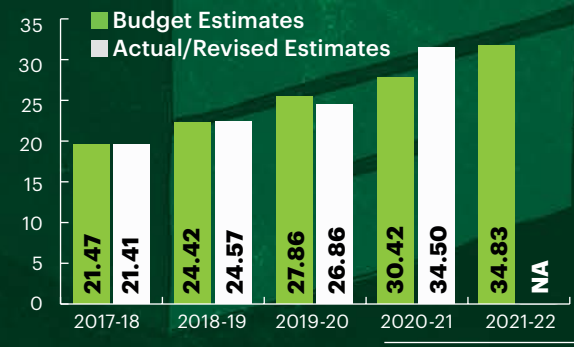
Finance Minister Nirmala Sitharaman will present the Union Budget on February 1. There are hopes that the government will continue to focus on growth amid the ongoing uncertainty over Covid-19. Here are the factors she would consider

By **RAHUL OBEROI**
Graphics by **RAJ VERMA**

ECONOMY NOT OUT OF THE WOODS YET

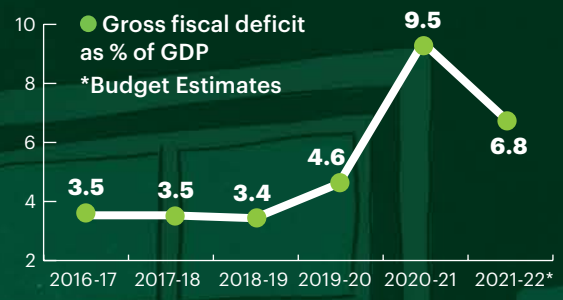
*Estimates
Real GDP is GDP at constant prices

THE SIZE OF THE BUDGET HAS BEEN RISING (in ₹ lakh crore)

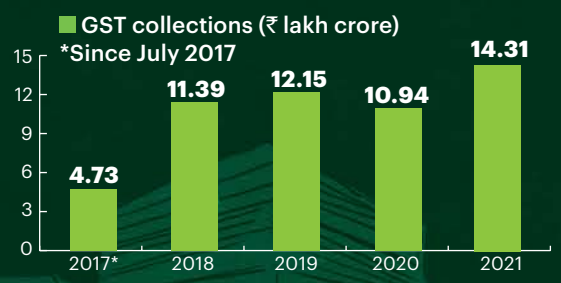


Note: Budget Estimates are allocations announced in the Union Budget; Revised Estimates are mid-year review of actual expenditure plus estimates for the remaining months in the fiscal
Source: **Previous Budget documents; CMIE**

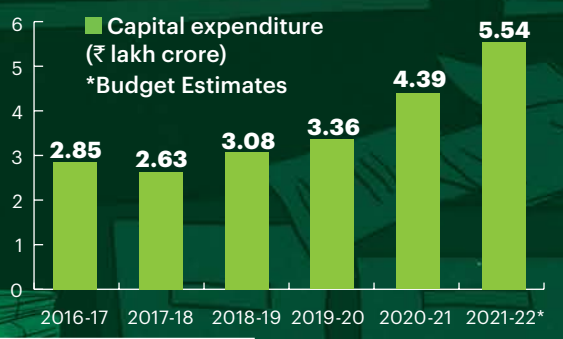
FISCAL DEFICIT SHOT UP IN 2020-21



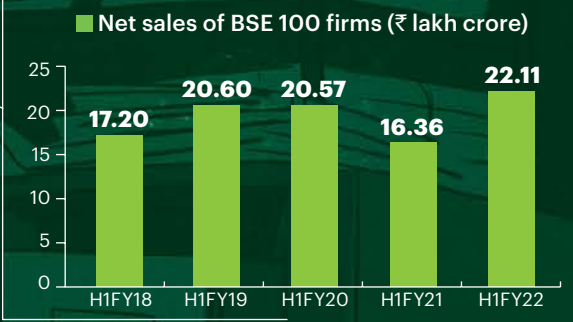
TAX COLLECTIONS HIT A RECORD HIGH IN 2021



THE GOVERNMENT'S CAPITAL EXPENDITURE HAS BEEN RISING

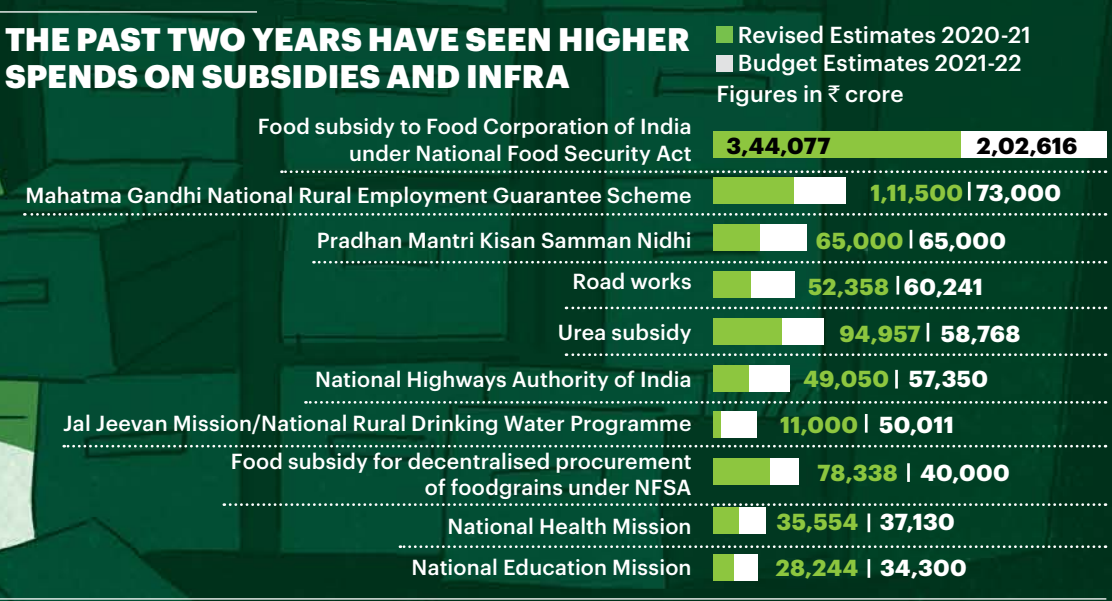


THINGS ARE LOOKING UP FOR THE CORPORATE SECTOR



H1 is first half of the financial year

THE PAST TWO YEARS HAVE SEEN HIGHER SPENDS ON SUBSIDIES AND INFRA



THE BUDGET OUTLAY ON HEALTH AND WELL-BEING INCREASED BY 137% IN FY22

Budget Estimates

2020-21
₹ 94,452 CRORE

2021-22
₹ 2,23,846 CRORE

REALTORS' REALITY

The country's realtors are gaining some pricing power. Demand for homes surged 51 per cent in 2021 over 2020 following pandemic-induced disruptions, continuation of work from home, and low interest rates on home loans. Chennai, Hyderabad, and Bengaluru recorded decent price appreciation. Developers in micro markets close to infrastructure projects like Delhi-Mumbai corridor (Sohna, Haryana), and Jewar international airport (Noida) also hiked prices by mid-single digits. What's keeping realtors jittery is steady cost escalation—25-30 per cent over the past one year—that is threatening their margins. Housing.com estimates residential prices to rise steadily from mid-2022.

—ARNAB DUTTA

WHILE HOME sales have surged, there has been steady cost escalation over the past year

PHOTOGRAPH BY **YASIR IQBAL**

All Stocked Up

THE SUPPLIERS ARE IN POSITION. The Omicron wave has pushed fast moving consumer goods majors from ITC and Dabur to Nestlé and Parle to pump additional supplies of consumer staples like branded commodities, soaps and snacks into their distribution channels—up to local *kiranas*. The *kiranas*, too, are stocking double the usual 7-10 days' stock, as per estimates from retail technology provider SnapBizz. But consumers haven't moved. In lockdown one and two, median ticket size at grocery stores had spiked from ₹600 to ₹1,300 and ₹900, respectively. This time, it's barely moved up to ₹700.

—ARNAB DUTTA

FREEING UP TRADE

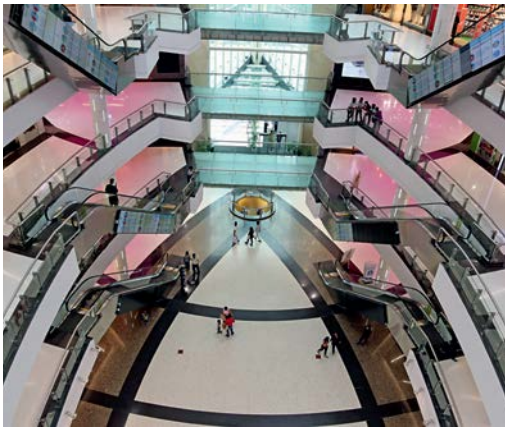
A free trade agreement (FTA) between India and the UK is on the cards. A statement from the UK-India Business Council says this would "turbo-charge trade between our countries by up to £28 billion a year by 2035". It would also reduce trade barriers and help create more jobs in both countries. "It matters greatly—for businesses and consumers—when the world's 5th and 6th largest economies negotiate an FTA," said Richard Herald, UKIBC Executive Chair.

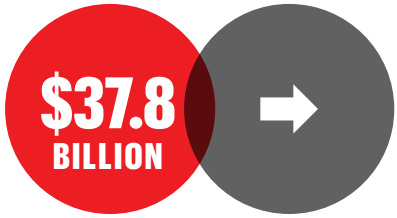
—RAJAT MISHRA

NOT ESSENTIAL?

It's déjà vu for 'non-essential' retailers—high street fashion, restaurants, bars, all non-staple retail. The sudden spike in Covid-19 cases due to the Omicron variant has brought back restrictions and dimmed hopes of recovery in the New Year. Footfalls at premium malls in metros like Delhi, Mumbai and Bengaluru fell by 25 per cent in the first week of January. Crowd pullers like food courts and multiplexes are restricted in capacity, leading to a loss of business for not only films and restaurants, but have also decreased revenue prospects by 30-40 per cent for retailers. Standalone non-staple retailers are feeling the heat, too, as their business is down by a fourth.

—ARNAB DUTTA





INDIA'S EXPORTS SURGED TO $37.81 BILLION IN DECEMBER 2021, UP 38.91 PER CENT YEAR-ON-YEAR. IMPORTS, TOO, WENT UP BY 38.55 PER CENT YEAR-ON-YEAR TO $59.49 BILLION

सत्यमेव जयते
Government of Maharashtra

MAGNETIC MAHARASHTRA 2.0
#MadeForBusiness

MAKE IN INDIA

MAGNETIC MAHARASHTRA 2.0

MAJOR INDUSTRIAL CLUSTERS

- **Mumbai-Thane-Raigad | 15,000 Acres**
  Engineering | Food Processing | Auto & Components | Chemicals | Pharmaceutical
- **Pune-Chakan-Talegaon-Satara | 8,000 Acres**
  Data Centre | Gems & Jewelry | Engineering | Food Processing | Auto & Components | ESDM Logistics
- **Nashik-Malegaon-Ahmednagar | 5,000 Acres**
  Food Processing | Medical Equipment | ESDM | Engineering
- **Aurangabad (AURIC, DMIC)-Jalna | 8,000 Acres**
  Food Processing | Auto & Components | ESDM | Textile
- **Nagpur – Amravati | 4,000 Acres**
  Aerospace & Defence | Engineering | Textiles | Food Processing

Maharashtra: The economic powerhouse

- **Largest GDP in India**
  Maharashtra's GDP size is $400 billion; accounting for 15% of India's GDP
- **Largest share in FDI**
  Attracted $140 billion FDI in 2000-2020; accounting for 30% of India's share.
- **Leader in Manufacturing**
  Maharashtra contributes to 15% of the Industrial output in India.
- **Excellent Law and order**
  This is known for progressive administration and policy continuity.
- **Leader in Exports**
  Maharashtra has the highest value of exports; accounting for 21% of India's exports
- **Best Quality Workforce**
  Maharashtra has the highest employable talent in India at 68%.
- **Robust Infrastructure**
  3 International & 13 domestic airports, 2 major & 53 minor ports, and largest power capacity.

Key Reforms Initiated

1. **Plug and Play Infrastructure - 6 Regions | 5950 Acres | 450 Sheds**
   Allowing an FDI investor to utilize a ready to use infrastructure complete with affordable rental sheds, comprehensive utilities, expat housing, modular spaces in a 100% compliant ecosystem.
2. **Maha Parwana - 20+ Departments | 100+ Permissions**
   A single window clearance system for FDI investors that meet statutory norms to start operations within 48 hours.
3. **Maha Jobs - 3.05 Lakh Applicants | 2,905 Employer | 42,817 Jobs**
   Dedicated industrial employment portal, launched in July 2020, aims to help new and potential investors employ the vast and skill rich local talent in Maharashtra on the portal across 17 sectors and 950+ job roles
4. **Investor First Programme - Assigned to 96 MoU Partners | 10 Investment Fellows**
   Relationship Manager (RM) and Relationship Executive (RE) are assigned to investors for overall co-ordination and providing necessary support to the Investors on continuous basis.

Investment Intentions Signed

Under the leadership of the Hon'ble Chief Minister and Hon'ble Minister Industries, the Industries department along with MIDC signed 96 MoU's with key investors in the months of June 2020 to December 2021 amounting to INR 1,88,073 Crores and potential employment generation of 3,29,753 jobs.

- **Magnetic Maharashtra 2.0, June 2020 - INR 17,047 Cr | 16,230 Jobs**
  No. of MoUs – 14 | Key Sectors – Chemicals, Auto, ESDM, Oil & Gas | Key Countries – USA, Japan, Singapore, South Korea
- **Magnetic Maharashtra 2.0, Nov 2020 - INR 34,850 Cr | 23,182 Jobs**
  No. of MoUs – 15 | Key Sectors – Data Centers, Logistics, Electronics | Key Countries – Spain, United Kingdom, Japan, Singapore, India
- **Magnetic Maharashtra 2.0, Dec 2020 - INR 61,042 Cr | 2,53,880 Jobs**
  No. of MoUs – 25 | Key Sectors – Data Centers, Logistics, Electronics | Key Countries – India
- **Magnetic Maharashtra 2.0, June 2021 - INR 16,500 Cr. | 5,000 Jobs**
  No. of MoUs - 2 I Key Sectors - Petroleum, Natural Gas, Renewable Energy I Key Countries - Australia, India
- **Magnetic Maharashtra 2.0, Sept 2021 - INR - 35,500 Cr. | 10,000 Jobs**
  No of MoU's - 2 I Key sectors - Renewable Energy I Key countries - India
- **Magnetic Maharashtra 2.0, Oct 2021 - INR - 2,823 Cr. | 1,250 Jobs**
  No of MoU's - 1 I Key sectors - Electric Vehicle I Key countries - UK
- **Magnetic Maharashtra 2.0, Nov 2021 Dubai Expo 2020 - INR 15,260 Cr. | 11,066 Jobs**
  No. of MoUs - 25 I Key Sectors - Logistics, Auto Components, Oxygen Manufacturing, Data Centers, Bio-Fuels I Key Countries - Japan, Singapore, Sweden, Korea, Germany, Italy and India.
- **Magnetic Maharashtra 2.0, Dec 2021 INR 5,051 Cr. | 9,145 Jobs**
  No. of MoUs - 12 I Key Sectors - Bio-Fuels, IT/ITES, Technical Textiles, Chemicals, Auto I Key Countries - France and India.

Total Investment Intentions – INR 1,88,073 Cr

Foreign Direct Investment - INR 2,01,948 Cr
(October 2019 - June 2021)

Regular Investment - INR 23,838.70 Cr
(1st Jan 2021 - 31st Nov 2021)

Strategic investment cooperation agreements with key corridor partners:

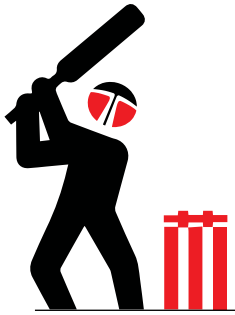
- US-India Strategic Partnership Forum, (USISPF) for USA
- Korea Trade-Investment Promotion Agency, (KOTRA) for South Korea
- United Kingdom – India Business Council, (UKIBC) for the UK
- World Association of Investment Promotion Agencies (WAIPA)
- Indo-French Chamber of Commerce & Industry (IFCCI)
- Africa India Economic Foundation (AIEF)

MAHARASHTRA INDUSTRIAL DEVELOPMENT CORPORATION
।। उद्यमात् सकल समृध्दिः ।।
MIDC

Head office:
Maharashtra Industrial Development Corporation
Udyog Sarathi, Mahakali Caves Road, Andheri (E), Mumbai - 400 093. **Website**: www.midcindia.org

Principal office:
Maharashtra Industrial Development Corporation
4(A), 12th Floor, World Trade Centre Complex 1, Cuffe Parade, Colaba, Mumbai - 400 005.**Website**: www.midcindia.org

My Family
My Responsibility



TATAS' IPL SIXER

IPL, CRICKET'S MARQUEE tournament, has a new title sponsor. The Tata group has inked a two-year deal for close to ₹700 crore. This is the first time a conglomerate will be associated with the IPL after the likes of DLF, Pepsi and vivo. In the midst of the glitz and razzmatazz, it will be a significant opportunity for the Tatas to push their slew of consumer brands, from automobiles to food.

—KRISHNA GOPALAN

SILVER SHINING

Silver ETFs are in, finally. An attempt by Securities and Exchange Board of India (SEBI) many years ago to bring them in was met with opposition by the erstwhile Forward Markets Commission (FMC), which was merged with SEBI in 2015. Now, with SEBI giving its go-ahead last September, leading mutual fund houses are launching new fund offerings for silver exchange-traded funds (ETFs) and Fund of Funds (FoFs).

—ASHISH RUKHAIYAR

VODAFONE BREATHING

Vodafone Idea's stake sale to the government spooked the markets, with its shares hitting its lower circuit of 20 per cent the day the deal was announced. Market experts, however, believe the move would ensure that the telecom industry is not a duopoly and also increase chances of bringing in an investor. Negative in the short term but with long-term benefits, they say.

—ASHISH RUKHAIYAR

The Battle Continues

Welcoming the Supreme Court's order upholding the liquidation of Devas Multimedia, Finance Minister Nirmala Sitharaman has vowed to ensure justice in the case. In January, a Quebec court had passed an interim order allowing the Bengaluru-based Devas's shareholders to seize cash that airports regulator Airports Authority of India (AAI) and national carrier Air India hold with the International Air Transport Association. Following an appeal, AAI got relief from the order, but the status quo continues on Air India funds. In 2005, Indian Space Research Organisation and Devas had inked a satellite deal, which was annulled by the UPA government in 2011, citing security concerns. This led Devas's shareholders to commence international arbitration proceedings. Devas's lawyer Matthew D. McGill told BTTV that they are open to negotiating a settlement with the Indian government.

—MANISH PANT

Doc on Video

INDIA IS LOGGING over 250,000 Covid-19 cases daily, most of which are Omicron. This is pushing patients to use online doctor consultation platforms instead of visiting hospitals. As a result, medtech and telemedicine platforms are reporting multiplying numbers of online consultation requests. Practo, an integrated healthcare company, says daily consultations have gone up more than 2.5 times since January 1. Private hospitals are seeing increasing bookings for video consultations. Telemedicine services, too, are gaining popularity.

—NEETU CHANDRA SHARMA

THE EXPECTED GROWTH OF THE INDIAN ECONOMY IS PEGGED AT 8.3 PER CENT FOR FY22 AND 8.7 PER CENT FOR FY23, SAYS THE WORLD BANK

8.3%

GOODBYE SSANGYONG

MAHINDRA AND Mahindra (M&M)-owned SsangYong Motor has been acquired by a consortium led by South Korean electric bus and truck maker Edison Motors for $254.56 million. In 2010, M&M had acquired a controlling 75 per cent stake in debt-ridden SsangYong and even retailed SUV Rexton in India, but failed to make a mark. Sridhar V., Partner, Grant Thornton Bharat LLP, says despite M&M's SsangYong and (earlier) Ford partnership failures, group Chairman *Anand Mahindra* may "still explore a partner as it makes sense for electric vehicles".

—PRERNA LIDHOO

GROWW WITH SATYA

Microsoft Chief Executive Satya Nadella's investment in stock trading platform Groww reinforces global investor bullishness on the Indian start-up story, especially on the burgeoning fintech sector. Founded in 2016, Groww was valued at $3 billion when it secured $251 million in a growth round last October. Iconiq Growth, Alkeon, Lone Pine Capital, Steadfast, Sequoia Capital, Ribbit Capital, YC Continuity, and Tiger Global are among its investors. Nadella will also advise the start-up.

—BINU PAUL

CANADA'S BUFFETT

BILLIONAIRE Prem Watsa's India investments—through Fairfax Holdings—are making him richer by the day. Shares of CSB Bank, listed in 2019, are up over 30 per cent against the issue price of ₹195. Quess Corp, which debuted in 2016, is up 158 per cent against the issue price of ₹317. Then, Thomas Cook and Fairchem Organics have gained 30 per cent and 208 per cent, respectively, in the one year till January 10. The man's doing something right.

—RAHUL OBEROI

SO NEAR, YET...

Anil Agarwal's winning bid for the ₹63,000-crore indebted Videocon Industries gave him a strong position in the Ravva oil and gas field, in which Videocon has 25 per cent stake. But the Vedanta boss's winning bid of ₹2,900 crore has been slapped back to the committee of creditors by the NCLAT, apparently at the behest of miffed lenders. It's back to the drawing board for the king of buyouts.

—KRISHNA GOPALAN

GLOVES OFF

BharatPe Co-founder and MD Ashneer Grover has a penchant to be in the news, albeit for the wrong reasons. After his behaviour at reality show *Shark Tank India* drew flak from a section of the start-up universe, he has now got entangled with erstwhile employer Kotak group. An audio clip surfaced, that purportedly had him abusing a Kotak Mahindra Bank employee for alleged misconduct in allocation of equity shares from Nykaa's IPO. With Grover reportedly threatening legal action against Kotak, his ex-employer is returning the compliment.

Ashneer Grover is in the news for an audio clip of him purportedly abusing a bank employee

—ARNAB DUTTA

THE BIG MAN'S BIG MOVES

TWO INVESTMENTS and a big-ticket fund raise. *Mukesh Ambani*, Reliance Industries' Chairman, has been very busy over the past few weeks. The acquisition of New York's Mandarin Oriental hotel was made for $98 million. Then, Reliance Retail put in $240 million in Bengaluru-based Dunzo for a 25.8 per cent stake. And, RIL raised $4 billion in US dollar bonds to refinance its existing debt. Given the spate of buyouts Ambani has made over the last six months, 2022 has started well for him.

—KRISHNA GOPALAN

MAHINDRA, NADELLA AND AMBANI PHOTOGRAPHS BY BANDEEP SINGH

Securing India's Next Generation Of Growth With Crypto Assets

Over the years, we've seen India quickly climb the ranks to become a technological powerhouse, as it recognises and embraces advancements in digital assets at pace with the rest of the world. The implementation of the Unified Payments Interface (UPI) has contributed to massive growth in the adoption of digital payments in India, driving the nation's digital economy boom. In the last fiscal year alone, the instant real-time payment system reported a threefold increase in value and number of transactions, which jumped to 2,732 million transactions, worth ₹5,04,886 crore as of March 2021. With the yet untapped potential of India's close to 1.4 billion population, and as one of the world's fastest growing economies, I believe that our nation is presented with the unique opportunity to capitalise on the meteoric rise of cryptocurrencies and digital assets.

Despite around 834 million active internet users, only 15 million Indians are exposed to cryptocurrencies, indicating that there's still tremendous potential for growth in the number of crypto investors and traders in the nation. Much like how the internet has fundamentally altered the way we live and work, digital assets have the potential to change the way we participate in the global financial system, engendering greater inclusion and economic growth. In my opinion, India is well-positioned to be part of this next wave of innovation, nurturing the economic opportunity it brings while continuing to protect privacy and stability. As institutional interest around digital assets continues to grow, tapping into India's dynamic and digital-first populace will support the optimism from investors and set the stage for a new generation of growth.

Opportunities On The Rise

As awareness and interest around cryptocurrencies continues to grow in the market, we're seeing a wealth of job and career opportunities which this industry has created. This rising demand for crypto assets is clearly reflected in the intense war for talent and the growing number of jobs within the industry — a quick search will show that there are over 2,000 open roles mentioning "bitcoin," "cryptocurrency" and "blockchain" across job search platforms such as LinkedIn, Indeed and Monster. Even Fortune 500 companies such as JPMorgan Chase, Amazon, Apple and PayPal are hiring for cryptocurrency positions.

In addition to the creation of jobs, we've also seen an influx of foreign investments into India's crypto startups, thanks to the enormous potential of our IT developers and entrepreneurs here. According to a report by data intelligence platform Tracxn, investments into Indian crypto and blockchain startups have increased by over 1894% in the last five years. In my view, India must take advantage of the current interest and momentum in digital assets and push forward clear regulations to bolster the industry and maintain its competitiveness on the world stage.

Unlocking The Economic Value Of Digital Assets

Across the globe, we are seeing a sharp rise in cryptocurrency investments. Outpacing the rest of the world in digital asset adoption, the top five nations when it comes to bitcoin ownership are all located in Asia. In India, where households own more than 25,000 tonnes of gold, crypto investments grew from about $923 million in April 2020 to nearly $6.6 billion in May 2021. This represents a nearly 612% rise in crypto investments.

Millennial and Gen Z Indians, in particular, have demonstrated a preference for investing in bitcoin over the conventional metals, property and stocks — for transparency and the growth it offers. Furthermore, with decreasing data costs and the increasing availability of smartphones and high-speed connectivity, even our nation's lower-income states have seen a boost in internet users, bridging a previously wide digital divide.

As one of the largest emerging markets in terms of growth and future potential, I'm certain that India will soon rise to become a leader in the digital assets industry as the barriers to entry get easier.

BY SUMIT GUPTA,
Co-Founder & CEO, CoinDCX.

Leveraging crypto innovation to bolster the strength of the future economy is a tremendous opportunity for India right now, and foregoing the potential growth currently within reach would be a missed opportunity. As such, it is crucial for us to take advantage of the momentum the industry is currently witnessing, to build out a forward-looking legal framework that allows cryptocurrency companies to operate and contribute to the broader economy. At the same time, the crypto community needs to maintain open dialogue with the government and assist them in developing forward-looking solutions and frameworks to encourage innovation and growth. In doing so, I'm confident that we will be able to unlock the full economic value of the industry and secure the next generation of growth in India.

BEPS 2.0: How it Impacts MNCs

The new global tax framework will pose challenges for multinational companies, tax authorities and tax professionals

BY **DINESH KANABAR**

AS WE WITNESS CHANGE IN ALL SPHERES OF THE ECONOMY, the world of taxes is not far behind. The changes particularly impacting multinational companies began when Lehman Brothers happened and countries started staring at falling tax revenues.

Two facts stood out. One, MNCs were able to park their profits in tax havens or low-tax jurisdictions; this was nothing new but started pinching in light of declining revenues. Second, with the dominance of the digital economy, old concepts of taxation like the existence of a permanent establishment (PE) to establish a taxable presence were no longer relevant. Also, unless global solutions were found to these issues, each country would evolve unilateral measures, which would result in chaos. The final thing was that some of the largest MNCs likely to be impacted by any change in the status quo were based in the US, and getting the authorities there on board was critical.

The OECD began work on developing a new order to address Base Erosion and Profit Shifting (BEPS) in 2013. After a series of pronouncements, we now have an Inclusive Framework to which 137 countries have signed up. This Two-Pillar approach (BEPS 2.0) is expected to be implemented in early 2023. Broadly, Pillar One provides that large companies (global revenues in excess of €20 billion), which have global operations and earn more than normal returns, would be taxable in the countries where they sell their products by attributing excess profits (beyond 10 per cent of revenues) to those operations, basis certain allocation parameters. This is expected to shift taxing rights on more than $125 billion from residence countries to source countries. Pillar Two provides that each member country will levy a minimum 15 per cent tax and should that not be the case, profits from low-taxed jurisdictions will be taxed in the home country (or otherwise) such that the MNCs end up paying a minimum 15 per cent tax on profits in each jurisdiction. This is expected to increase the taxation base by about $150 billion. These changes will have a major impact on the way MNCs have thus far operated or been taxed.

Pillar One addresses the demand of developing countries of taxing income in the country from where revenues are sourced whether or not there is a PE. It introduced the concept of Significant Economic Presence in its domestic laws, which applied to sales in India from non-tax-treaty countries. India also introduced Equalisation Levy to tax digital transactions. Once Pillar One comes into effect, these unilateral measures will need to be withdrawn. This has been committed to by India. But this still leaves a number of open questions: Pillar One applies to large MNCs. How will India tax the rest? Will it apply unilateral measures? Will it apply to others the same ratio as applicable to large MNCs? While each country wants to tax its share of the pie, the MNCs will want to ensure that they are not taxed on the same profit in different countries. How will this happen? What will this do to current supply chains? Will MNCs restructure themselves to

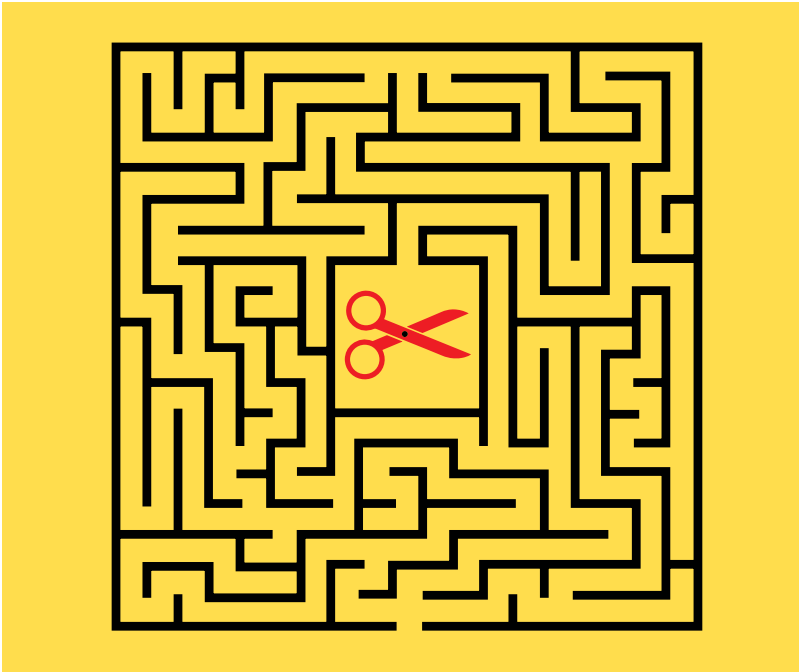


ILLUSTRATION BY **RAJ VERMA**

The challenges the digital economy poses to the effectiveness of global tax architecture can only be suitably addressed through multilateral reform, and the Two-Pillar approach represents a step in the right direction

beat the revenue threshold? The answers will emerge in due course.

PILLAR TWO DEALS WITH PROFITS in low-tax jurisdictions. It will certainly impact structures involving location of IPs in countries like Ireland. It will call for closer scrutiny of entities operating in the UAE. It will call into question jurisdictions like the Netherlands. It will call into question holding company profits in low-tax jurisdictions. It will require Indian firms to relook at related-party transactions. Provisions that deal with how profits are derived from transactions in low-tax jurisdictions are fairly complex and are a subject in themselves. Broadly, the GloBE (Global Anti-Base Erosion Rules), as these provisions are called, have different facets. The first is the Income Inclusion Rule, which broadly envisages that income that is taxed at a lower rate in a jurisdiction will be taxed on the difference at the head office on a top-up basis; second, the Undertaxed Payments Rule, which seeks to deny deductions in respect of such income; third, the Subject to Tax Rule, which seeks to deny tax treaty benefits and imposes an additional withholding tax where a payment is subject to nil or nominal tax in the payee country; and fourth, the Switch-over Rule, which switches from exemption to credit method where there is a PE. The OECD has come up with detailed guidelines on the way forward. That said, the proof of the pudding is in the eating and the proof of the outcome of Pillar Two will be in its implementation.

The challenges the digital economy poses to the effectiveness of global tax architecture can only be suitably addressed through multilateral reform, and the Two-Pillar approach represents a step in the right direction. Both India-headquartered groups with international operations (India outbound) and foreign-headquartered groups with Indian operations (India inbound) satisfying the threshold requirements would be required to assess the impact in terms of additional tax outflows and compliance burdens. This would need to be analysed keeping in mind the interplay of new taxation rules with existing treaties, domestic tax laws and transfer pricing regulations, application of carve-outs and carry-forward mechanisms and documentation.

Incremental tax burdens can affect the cash flow and overall profitability of businesses. An impact analysis of existing and alternate supply chains and business/ownership structures, along with realignment of technology to match documentation and compliance requirements, would be some of the important action points for businesses to consider. As and when implemented, this would mark a major strategic change in the international tax framework impacting both MNCs as also many low-tax jurisdictions.

All in all, as the Chinese curse goes, 'MNCs will have interesting times'. The new global framework will pose some challenges for them, tax authorities and tax professionals. It will take some time before the provisions settle down and afford the certainty that MNCs will look for. **BT**

The writer is CEO of Dhruva Advisors LLP. Views are personal

COMETH THE H

...cometh the Lady. All eyes will be on Nirmala Sitharaman as she unveils the Union Budget, with expectations of proposals for revival of private investment, job creation, and a path towards a $5-trillion economy

***By* MANISH PANT**

IT IS A TIME OF SHOCK. Of worry. Of change. As the third wave of the Covid-19 pandemic rages, the relief is that it has had significantly lower impact than the second. At least for now. But the country is on edge. What's the path ahead? For, make no mistake, India has several challenges beyond the pandemic—reviving private sector investment, kick-starting job creation and enhancing the purchasing power of consumers in the world's fifth-largest economy. February 1 is the day we look forward to for answers, to understand the mind of the government. And one hopes that when Finance Minister Nirmala Sitharaman pulls out her now-famous red *bahi khata* to read out the Union Budget proposals, she would have some, if not all the answers.

To shore up its spending power during difficult times, the government had announced ambitious targets for privatisation of assets worth ₹1.75 lakh crore in FY22, and a five-year asset monetisation pipeline of ₹6 lakh crore. However, concerns around the Covid-19 pandemic and an overall tepid investor response will likely result in the programmes being made more attractive to potential bidders. Read more about these in *The Monetisation Gamble* on page 24 and *The Rocky Path to Privatisation* on page 32. The economy may also be looking for some kind of a stimulus in the form of additional capital expenditure (capex) by the government.

Government spending is all very well, but what of fiscal deficit? The target for FY22 is ₹15.06 lakh crore. For April-November, the deficit stood at ₹6.96 lakh crore, or 46 per cent of the target, as per data from Controller General of Accounts. "I think the government would be able to achieve the fiscal deficit target of 6.8 per cent. But the government, sticking to its conservative stance, will not spend more and would try to bring down the fiscal deficit to reach the target of 4.5 per cent of GDP by 2025-2026," says economist Arun Kumar. While that may be good news, some experts argue that another reason for the fiscal deficit being under control is the government's inability to spend, especially in the light of Covid-19-related disruptions. Adds former Reserve Bank of India governor C. Rangarajan: "We should have a new programme for fiscal consolidation spread over several years. At the same time, maintaining the government expenditures at a reasonably high level is critically important."

Meanwhile, consumer inflation spiked to a five-month high of 5.59 per cent in December. "To reduce the inflation pressure, the government can cut taxes including import duty on petroleum products," suggests Dharma-

We should have a new programme for fiscal consolidation spread over several years

C. RANGARAJAN
FORMER GOVERNOR, RESERVE BANK OF INDIA

Fiscal space will need to be created by engineering a gradual reduction in fiscal deficit

DHARMAKIRTI JOSHI
CHIEF ECONOMIST, CRISIL LTD

OUR...

PHOTOGRAPH BY **YASIR IQBAL**

NIRMALA SITHARAMAN
FINANCE MINISTER

kirti Joshi, Chief Economist, CRISIL.

India aims to become a $5-trillion economy by 2025 and the development of a robust infrastructure sector will play a pivotal role. The government has already identified the four 'Ns' of the National Infrastructure Pipeline, National Monetisation Pipeline, National Bank for Financing Infrastructure & Development (NaBFID), and the National Programme and Project Management Policy Framework. However, the real challenge lies in execution. "There are too many moving parts at the city, state and national levels, with judiciary-related issues as a wild card," says Shailesh Pathak, Co-chairperson of industry chamber FICCI's Infrastructure Committee. "Hence the three 'Cs' required are coordination, capacity and contracting."

Job creation is another focus area. The second wave resulted in an estimated 10 million job losses, as per CMIE data. According to a McKinsey projection, India would need to create 90 million new non-farm jobs by 2030 to absorb the new workers who join the workforce. For that, India's GDP will need to grow by 8-8.5 per cent annually over 2023-30. "In this high-growth path, manufacturing and construction sectors would need to amplify the most, while knowledge and labour-intensive services continue their momentum," says Shirish Sankhe, Senior Partner, McKinsey & Co.

THE INDUSTRY IS also expecting action on boosting capital market-related instruments such as surety and municipal bonds. "We are expecting a sense of purpose and confidence on increased use of surety bonds," says Vinayak Chatterjee, Chairman of CII's infrastructure committee. "Municipal bonds can be another prime mover for financing urban infrastructure." Weakening of economic growth and deleveraging by large corporates have curtailed credit growth. "Incentives to boost retail and SME credit demand could be helpful in the near- to medium term, while corporates can provide back-end support. We believe the government should provide direct and indirect tax breaks, spend-based incentives and so on," says Anand Dama, banking sector analyst at brokerage Emkay Global Financial Services.

Finally, any relief in terms of direct taxes would especially be hailed by the country's 600 million-strong middle class. "To spur demand, there is a need to increase the purchasing power by putting in more money in the hands of the people," asserts Neeru Ahuja, Partner, Deloitte India. For starters, she says, a slew of measures like enhancing deduction limit under section 80C of the Income Tax Act from ₹1.5 lakh to ₹2.5 lakh and under section 80D towards medical insurance premium from ₹25,000 to ₹50,000 for non-senior citizens, and the introduction of a special deduction of ₹25,000 for increased expenditure due to the pandemic would help in increasing the take-home cash.

Will she? Won't she? The nation would be keenly listening in on February 1. **BT**

With inputs from Rajat Mishra; @manishpant22

In this high-growth path, manufacturing and construction sectors would need to amplify the most

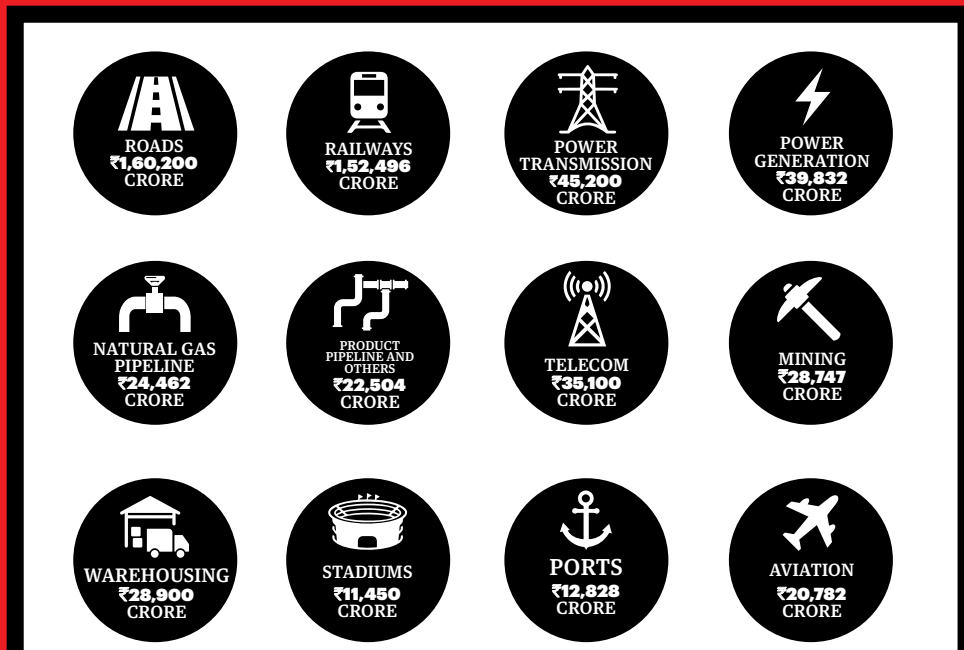
SHIRISH SANKHE
SENIOR PARTNER, MCKINSEY & CO.

To spur demand, there's a need to increase purchasing power by putting more money in people's hands

NEERU AHUJA
PARTNER, DELOITTE INDIA

THE INFRA PIPE

Sector-wise break-up of the ₹6 lakh crore National Monetisation Pipeline over FY2022-2025



COVER STORY

THE MONETISATION GAMBLE

The government has taken a new route to enable infrastructure creation—asset monetisation. Operating assets worth ₹6 lakh crore across roads, railway stations, trains, stadiums, among others, will be monetised over the next three years. Will it work?

By **RAJAT MISHRA**

Illustration By **ANIRBAN GHOSH**

AMID THE DOOM and gloom of the pandemic in 2021, two instances showed the government a way forward, financially speaking. In April, Power Grid Corporation of India became the first PSU to go public by floating an infrastructure investment trust (InvIT), which included mainly high-voltage transmission lines and substations, raising more than ₹7,700 crore. Then, in November, Nitin Gadkari, Minister of Road Transport and Highways, took to Twitter to announce that the National Highways Authority of India's (NHAI) first InvIT, which comprised five toll roads spanning over 390 km, has raised ₹5,000 crore. This success spawned a plan to raise another ₹3,000 crore.

These two examples show that if the government wants to monetise assets, there is enough private sector interest in "viable, structured and investable projects", says Manish Aggarwal, Partner & Head, Infrastructure and Special Situations Group, KPMG India.

To offset the steep rise in its capital expenditure and borrowing due to the pandemic, the government aims to raise ₹6 lakh crore by FY25 by monetising 20-plus brownfield state- and public sector-owned assets across sectors (see *The Infra Pipe*). This National Monetisation Pipeline (NMP) is a win-win for the government, which gets to fill its coffers, as well as the private sector, for whom the attraction is steady cash flow from prized assets. "With the launch of the NMP, infrastructure investors have a relatively low-risk option because, unlike new infrastructure, asset monetisation covers operating assets, which have already started generating revenues. So, there will be a lot of traction from long-term investors," says Arindam Guha, Partner and Leader, Government & Public Services, Deloitte India.

Indeed, not only has the success of the NHAI's and PowerGrid's InvITs validated the asset monetisation plan, states have also begun similar efforts. For example, Maharashtra awarded the tolling rights of the Mumbai-Pune Expressway and the old Mumbai-Pune corridor to IRB Infrastructure Developers in June 2020 for ₹8,262 crore. "Now we are seeing huge interest from various states," a senior government official said on the condition of anonymity. "They are approaching us to understand the way to go about [monetising] their assets. Many states are doing quite well in this direction."

And investors hope to reap a substantial return on their investment (RoI). "In the current market condition, an RoI of 14-15 per cent on an infrastruc-

IN NOVEMBER 2021, NHAI'S FIRST INVIT—WHICH COMPRISED FIVE TOLL ROADS SPANNING OVER 390 KM—RAISED ₹5,000 CRORE

HIGHWAY TO SUCCESS
THE NHAI HAS RAISED ₹17,000 CRORE SO FAR BY MONETISING ITS ASSETS

ture asset is very good as far as the private sector is concerned," says Jagannarayan Padmanabhan, Director and Practice Leader, Transport and Logistics, CRISIL Infrastructure Advisory. "If they see visibility to that extent, they will go ahead in terms of bidding. It all depends on the rate at which an entity raises finance."

However, it hasn't been all smooth sailing. While some sectors such as roads, power, and airports have piqued investors' interest, there have been no takers for railway assets due to various concerns, including the revenue-sharing model. On the other hand, assets such as hotels and stadiums have also garnered little interest as they are on the monetisation block for the first time.

Let's take a deeper dive into the plan for some key asset classes.

PHOTOGRAPH BY **CHANDRADEEP KUMAR**

Roads

26,700 km of four lanes or above roads to be monetised. Some key stretches:

1. **251 km** Hyderabad-Bengaluru (six sections), AP/Karnataka
2. **145 km** Four-laning of Hisar-Dabwali (2 packages), Haryana
3. **142 km** Muzaffarpur-Sonbarsa, Bihar
4. **128 km** Kota to Chittorgarh(RJ-7 and RJ-8), Rajasthan
5. **121 km** Baran-Shivpuri Rajasthan, MP

Airports

Phasing airport assets identified for monetisation

1. **FY22:** Bhubaneswar, Varanasi, Amritsar, Trichy, Indore, Raipur
2. **FY23:** Calicut, Coimbatore, Nagpur, Patna, Madurai, Surat, Ranchi, Jodhpur
3. **FY24:** Chennai, Vijayawada, Tirupati, Vadodara, Bhopal, Hubli
4. **FY25:** Imphal, Agartala, Udaipur, Dehradun, Rajamundhry

Signal-free

So far, the NHAI has raised ₹17,000 crore by monetising close to 1,400 km of toll roads. It now plans to raise a further ₹1.6 lakh crore by monetising another 26,700 km of roads via either an InvIT or toll-operate-transfer (TOT) concessions. And investors are lining up, say experts, because of their confidence in the well-established, tried-and-tested TOT model. In this, the operator can collect all toll revenue over the contract period in exchange for an upfront payment and maintaining the asset.

"In highways, after some initial teething issues, the TOT model along with InvIT has emerged as the predominant structure for highways monetisation. The markets have understood and appreciated the nuances of the model," says Neelakantan V.R., Partner in law firm Shardul Amarchand Mangaldas & Co's project and project finance practice. "The highways, mostly because of their track record in monetisation, have managed to attract investors even through Covid-19."

The NHAI has realised about ₹9-14 crore per km under previous TOT concessions. Using that as a guide, the government has set an indicative target of ₹6 crore per km this time to factor in certain lower-traffic stretches in the current portfolio and the impact of scale on monetisation, according to a document published by NITI Aayog. However, the heavy interest in roads could end up denting the returns, says Abhaya Agarwal, Partner-Infrastructure, Ernst and Young. "If you see NHAI's PPP

(public-private partnership) projects, which are also a type of monetisation, the results have been mixed. In the first lot, people made a lot of money—around 20-25 per cent RoI. But as the competition grew, there was aggressive bidding, so the RoI kept going down. Invariably, the return on equity (RoE) expectation is about 15-25 per cent, depending on the kind of assets," he says.

Blue Skies

The total indicative monetisation value of airports is ₹20,782 crore, comprising two parts. First, the government plans to sell its stake worth ₹10,000 crore in four privately-run airports. Second, it plans to monetise 25 other Airports Authority of India (AAI)-run airports, with the value pegged at ₹10,782 crore, based on their estimated capital expenditure. As in the case of roads, there is strong investor interest in these 25 airports, or at least the six up for grabs in the first round. And this is due to expectations that contracts will be based on the fee-per-passenger model.

This model was adopted in 2019, when six airports were monetised, to replace the revenue-sharing model that had been in place since the Mumbai and Delhi airports were privatised in 2006. The enthusiastic investor response validated the new model, which reduces regulatory intervention and gives the concessionaire more autonomy. "If they replicate the fee-per-passenger model, investors will wait for it because there is a general degree of market acceptance that this model is workable. This time the plan is also to maybe do a combination of bigger and smaller airports together," says Neelakantan of Shardul Amarchand Mangaldas.

Railways

Key railway assets for monetisation

1. **400** railway stations
2. **90** passenger trains
3. **1,400 km** of railway tracks
4. **741 km** of Konkan Railway
5. **244 km** route across four hill railways
6. **265** Railways-owned goods sheds
7. **673 km** DFC track and allied structure
8. **15** railway stadiums and selected railway colonies

Ports

31 projects in nine major ports to be monetised over FY22-FY25

1. Paradip Ports, Deendayal Ports (Kandla), Syama Prasad Mookerjee Port, Kolkata (Kidderpore), Visakhapatnam Port (all ports with four projects)
2. JNPT Mumbai, Mormugao Port, Syama Prasad Mookerjee Port, Kolkata (Haldia), V.O. Chidambaranar Port (all ports with three projects)
3. New Mangalore Port (one project)

Derailed Dreams

The railway sector has become the poster child for critics of the government's monetisation plan. Last year, 16 private players expressed interest when the Indian Railways invited bids to run 151 trains over 12 clusters. However, only two ended up bidding and that, too, for three clusters. Moreover, one of the bidders was the Railway's own Indian Railway Catering and Tourism Corporation Ltd (IRCTC).

There are several reasons for the lack of interest, say experts. These concerns include the fact that operators would have to use the Railways' operations staff, such as drivers, and that the operator would be solely liable in case of accidents. The latter was even more concerning as the lack of an independent authority meant that the Railways itself would be a regulator, besides being a competitor. "I think there is a need for an independent system operator who will independently verify who is running late and what penalty they are supposed to pay," says KPMG's Aggarwal.

Another major bugbear was that the contracts did not clarify that the haulage charges paid by the operator would escalate over the concession period. "The analysis everybody was getting was that after a few years, you

will end up paying only haulage charges and there will be no EBITDA to service or have any returns," says Aggarwal.

A government official who is closely tracking the plan's progress admitted there were initial hiccups as this was a first for the Railways, but "it's wrong to say that Railways have no clarity about embracing the model for monetisation", adding that the plan to redevelop railway stations was attracting "a large number of bids". However, CRISIL's Padmanabhan points out that station redevelopment and a plan to monetise a 673-km dedicated freight corridor was attracting more investor interest than other railway assets.

Anchors Away

The government has identified 31 projects, spread over nine major ports, for private sector participation. And again, investors are interested. For example, the privatisation of the container terminal of Jawaharlal Nehru Port Trust in Mumbai last year attracted 12 initial bids from groups such as Adani Ports and SEZ, Netherlands-based APM Terminals and Dubai-based DP World. Besides, V.O. Chidambaranar Port (formerly Tuticorin port) and Paradip Port are also attracting interest, says CRISIL's Padmanabhan.

Like airports, a change in the tariff regulations may help spark this interest. The new December 2021 guidelines allowed ports to set market-linked tariffs whereas earlier they were set by the Tariff Authority for Major Ports. Now, public ports can better compete with private ones. "I think, intending to facilitate monetisation, the government has completely overhauled the law. So for ports, particularly post the new Act, there's actually been a significant ease up, which allows large amounts of flexibility," says Neelakantan of Shardul Amarchand Mangaldas.

Bookings Open

The government plans to monetise eight loss-making hotels run by Indian Tourism Development Corporation (ITDC), including the 65-year-old The Ashok, sprawled across 25 acres in Delhi. The monetisation options include long-term leases, divestment, and long-term operation and maintenance contracts, according to the NITI Aayog document referenced earlier. However, experts doubt there will be enormous investor interest due to an unproven track record. "Unfortunately, the track record in the hotel sector is quite limited and has not been very successful in the past. For example, the Taj Mansingh privatisation was a long-drawn out process, riddled with litigation and disputes," one analyst said on condition of anonymity.

However, these assets come with secure land and title deeds. While that could interest private players, Covid-19's impact on the industry could be a damper, the analyst said. "Given the current state of the tourism economy, I am not sure there is going to be much interest and excitement on the hotels front," the analyst said.

Hotels

ITDC hospitality assets identified for monetisation

1. Hotel Pondicherry, Puducherry
2. Hotel Kalinga, Bhubaneswar
3. Hotel Ranchi, Ranchi
4. Hotel Nilachal, Puri
5. Hotel Anandpur Sahib, Rupnagar
6. Hotel Samrat, New Delhi
7. Hotel Ashok, New Delhi
8. Hotel Jammu Ashok, Jammu

Sports Stadia

Two national stadia, two regional centres planned for monetisation in FY22-25

1. JLN and one more national stadium to be identified
2. Two SAI regional centres in Bengaluru and Zirakpur

Big Targets

Indicative goals of the monetisation pipeline

₹ **88,190** crore in FY22
₹ **1,62,422** crore in FY23
₹ **1,79,544** crore in FY24
₹ **1,67,345** crore in FY25

Source: NITI Aayog

Empty Stands

The Jawaharlal Nehru Stadium in Delhi—set up to host the 1982 Asian Games and home of Sports Authority of India (SAI)—is one of two stadiums and two SAI-run regional centres the government plans to monetise via PPP-based concessions on the operations, management and development agreement (OMDA) model over 30 years.

The revenue streams identified include commercial lease rentals, user or membership fees, space rentals, advertisements and parking fees, among others. However, these assets also suffer from a case of first-time jitters. "This is also an area where the investors are in a wait-and-watch mode because of not having any established track record in the past," the analyst mentioned above said.

Money Muddles

The plan to monetise brownfield assets to help fund development in an infrastructure-deficient country like India is attractive in principle. But its successful implementation is fraught with numerous challenges. The main one raised by several analysts, experts and even the Kelkar Committee (set up in 2015 to evaluate the PPP model in India) is the lack of a contractual dispute resolution mechanism. "Since these are operating assets, the fundamental attraction for investors is cash flow, which is governed by long-term concession agreements or contracts. One of the things to be resolved is that any kind of contractual dispute that impacts cash flows needs to be fast-tracked," says Deloitte's Guha. He notes that the pandemic curtailed travel on many highways and toll roads, which hit toll collections. "If a situation like that happens again, there needs to be very clear remedies," says Guha.

Besides, in case of a dispute, the concessionaire has to go back to the government, which is the concessioning authority, for arbitration. And that is counterintuitive, points out KPMG's Aggarwal. "The biggest lacuna is that we don't have a commercial dispute resolution institution that is more professional and independent of the concessioning authority. To my mind, the solution lies in the structure of a transaction and a framework of risk-reward sharing with a potential private investor."

Subhash Chandra Garg, former finance secretary, says rather than creating independent regulators, the contract itself should be the guide to resolving disputes. "Some of the reasons which could cause disputes later on should be pre-decided. I don't think there can be any regulator as such because these are unique things. It would be better to cover as many issues in the contract [as possible]," he says.

Instead, Garg says the bigger issue is valuation. "The problem usually is that the government ends up overvaluing things or fixing a higher reserve price. That is why the 5G spectrum has still not been sold." He suggests the valuation should be lower than fair market prices.

Vinayak Chatterjee, Chairman of infrastructure services company Feedback Infra, has a more fundamental bugbear—that the assets are being treated as revenue generators via the infamous PPP model. "So, the moment you get into this, you find yourself in difficult terrain because now you are talking about the revival of PPP. As we know, the PPP format is very complicated and the private sector confidence in investing in this is very low, even though these are brownfield assets. If it was an outright sale, it would be an easier process." The government must restore the credibility of the PPP model, Chatterjee adds, as the success of its monetisation plan depends on private sector involvement, be they corporates, international pension funds, private equity funds or sovereign wealth funds.

One way to lower that dependence is for the government to build an adequate domestic pension fund corpus, says Guha of Deloitte India. "A country as large as India needs to ensure that in terms of our pension funds, there is adequate corpus available to invest in these assets. I think activating the domestic pension corpus so that they are also in a position to look at investing in infrastructure assets much more than what they are doing today could be a game-changer for us."

After all, monetising an asset requires far more detailed work than just disinvestment. BT

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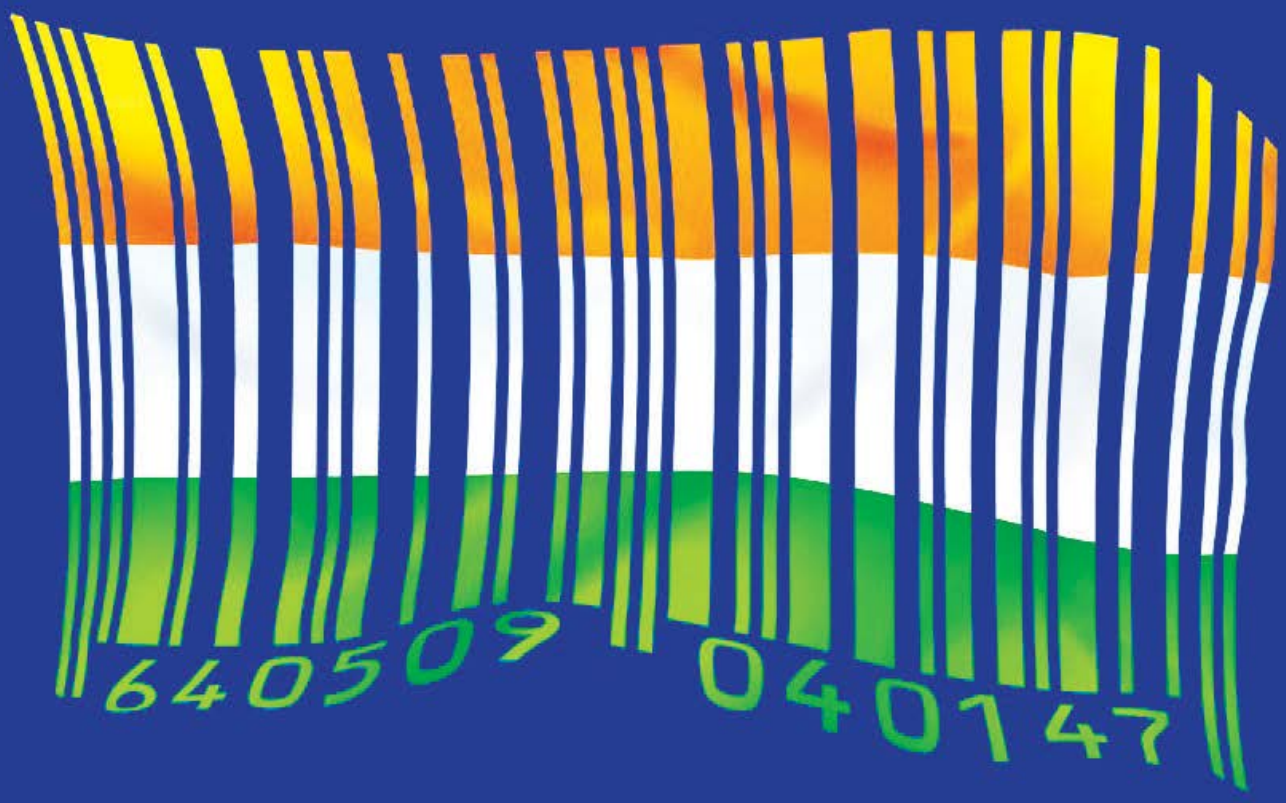

THE ROCKY PATH TO PRIVATISATION

WITH JUST ₹9,329.9 CRORE MOPPED UP AGAINST A DISINVESTMENT TARGET OF ₹1.75 LAKH CRORE FOR FY22 AND WITH JUST TWO MONTHS TO GO, THE GOVERNMENT'S AMBITIOUS ATTEMPT IS LIKELY TO COME A CROPPER. WHAT COULD SALVAGE THE SITUATION FOR NOW, AND HOW CAN IT EXECUTE BETTER IN FUTURE?

BY **MANISH PANT**

ILLUSTRATION BY **NILANJAN DAS**

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TWENTY YEARS is a long time. That's what it took to execute the privatisation of Air India. The process was set in motion in year 2000, albeit the idea for selling it was first proposed in 1988, following the successful sell-off of British Airways and other national assets by the Margaret Thatcher government in the UK. "Air India was the Holy Grail of public sector privatisation. The sentiment in the government was, 'If we can successfully privatise Air India, we can sell anything.' Now that it's done, it's up to them to leverage it," a market source told *Business Today* requesting anonymity. The sale of Air India is to fetch the government ₹18,000 crore, and would give the buyer, Tata group, ownership of Air India, its low-cost unit Air India Express, and a 50 per cent stake in the airline's ground and cargo handling subsidiary, Air India SATS Airport Services (AISATS).

Privatisation is a multi-layered, complex process. The dos and don'ts from the Air India experience might well serve as a template for future such deals. And the government sorely needs the template. Consider this. ₹1.75 lakh crore is the revenue target through privatisation in fiscal 2021-22. (That would include both privatisation and disinvestment.) However, the target looks far off, with only ₹9,329.9 crore in the bag so far (see *Far from Target*), and only two months left in the fiscal. Add to that the fact that these days, asset monetisation, disinvestment and privatisation are often used interchangeably. (The government is looking at raising ₹6 lakh crore through asset monetisation alone.)

So, has the government bitten off more than it can chew? Not quite, say experts, who aver that for a country with the world's fifth-largest economy and humongous assets, it is achievable, provided certain conditions are met. "In our estimation, Life Insurance Corporation (LIC) of India should be valued between ₹9.5-10 lakh crore," says Rajeev Shah, Managing Director & CEO of Ahmedabad-based RBSA Advisors. "Even if the government proposes to sell 5 per cent of LIC, it will provide ₹50,000 crore to the selling shareholders. The government will likely be doing that in tranches over the next three to five years as the market absorbs such a large IPO."

Adds Shah's colleague Ajay Malik, who heads investment banking at RBSA Advisors: "Several alternate asset management funds, sovereign funds and developmental finance institutions are actively investing in India. The country has also received high interest from large strategic investors from the US, Europe, Japan and the Middle-East. Therefore, financing ₹6 lakh crore, which works out to be less than $90 billion, isn't a big issue."

"The LIC IPO is fundamentally a big positive," says Deven M. Choksey, Managing Director, KR Choksey Holdings. "LIC is a superb organisation built over the past several years. A successful listing will give it a thrust to expand globally." While a lot hinges on the success of LIC's IPO, the catch is that the LIC Act, 1956, needs to be amended to allow foreign participation in the listing.

The same goes for privatisation of

CHALLENGES AHEAD

The government faces a complex path to privatise its assets

- THE GOVERNMENT HAS SET A DISINVESTMENT TARGET OF ₹1.75 LAKH CRORE FOR THE CURRENT FISCAL
- BUT THE SALE OF CERTAIN ASSETS NEEDS TO BE FAST-TRACKED TO AVOID VALUE DESTRUCTION/ MIGRATION
- CONSTITUTIONAL AMENDMENTS, TOO, ARE REQUIRED FOR THE SALE OF FINANCIAL SERVICES ASSETS SUCH AS LIC AND PUBLIC SECTOR BANKS
- THE GOVERNMENT COULD CONSIDER APPOINTING MERCHANT BANKERS TO REALISE HIGHER VALUATIONS FOR THE ASSETS TO BE PRIVATISED
- IT COULD ALSO OFFER A ROBUST PIPELINE OF ASSETS TO SUSTAIN INVESTOR INTEREST

PSU banks, with changes required in the Banking Companies (Acquisition and Transfer of Undertakings) Act. "The law will have to be amended to facilitate government equity to be brought down below 51 per cent in public banks," says Rajnish Kumar, former chairman of the country's largest lender, State Bank of India (SBI). "Then the process has to be run to discover the true value of banks to be privatised. Finally, employee support to the idea is needed."

CHALLENGES TO PRIVATISATION

The Atal Bihari Vajpayee-led National Democratic Alliance government's defeat in 2004 was also seen as a mandate against privatisation. As a result, from 2004 to 2014, the United Progressive Alliance (UPA) dispensation put any new proposals for privatisation on the backburner.

But things have changed a lot since then. "The government is very clear in its thinking that it has to do it in 10 years. It's like a game of cricket where you are playing for 20 overs. The government is in a hurry to close this as fast as it can. And I don't think that privatisation will result in electoral losses. Gone are those days," avers Choksey.

However, some fears persist. According to industry sources familiar with disinvestment, the process presents challenges to those involved in the transaction, in terms of sometimes unnecessary questioning and probes from the government. "Consequently, everyone involved becomes extremely risk-averse and the process becomes tedious with way too much emphasis being given to things like the right documentation," says an insider familiar with the process. In the private sector, it takes three to six months to complete a transaction. In the case of the public sector, it can take anywhere from one to two years.

Labour problems and litigation are some other challenges. "When a foreign investor comes in, he would want to work with a clean slate. Labour problems could be handled by the government itself or by giving complete freedom to the investor to do that. Similarly, litigation matters can be assigned to a separate company, and the government can keep [aside] funds for it," says Dinesh Pardasani, Partner at New Delhi-based law firm DSK Legal.

Such issues could be avoided through thorough due diligence. "Initial preparedness could help identify entity-specific potential roadblocks, which can then be addressed before the transaction is launched," says Sandeep Negi, Partner at Deloitte Touche Tohmatsu India. "This can be carried out internally or by an external agency."

Another area of concern is arriving at the right valuation for a national asset. Recently, employees of Central Electronics Ltd (CEL)—which was sold to a private bidder around the same time as Air India—moved court alleging undervaluation of the photovoltaic cell maker. The sell-off has now been put on hold, with the Department of Investment and Public Asset Management (DIPAM) re-examining it. "The government has the right intent and it is making all the right moves after thoroughly analysing the subject. However, the opportunity of executing the deal must be given to investment bankers as it is not in the business of managing investments," suggests Choksey.

THEIR TIME HAS COME

These companies are likely to fetch good valuations if they are privatised on priority

***Consolidated revenue for the year ended March 2021**

Company	Revenue in ₹ crore*	Likely bidders
Steel Authority Of India Ltd (SAIL)	69,113.61	Vedanta, Tata Steel, Nippon Steel
Bharat Sanchar Nigam Ltd (BSNL)	17,452.11	Reliance Jio, Bharti Airtel
Container Corporation of India Ltd (CONCOR)	6,427.08	Adani, Allcargo Group, Gateway Distriparks
Shipping Corporation of India (SCI)	3,703.25	Reliance, Adani Shipping India, Great Eastern Shipping
BEML Ltd	3,556.64	L&T, Adani
Hindustan Copper Ltd	1,786.76	Vedanta
Mahanagar Telephone Nigam Ltd (MTNL)	1,387.71	Reliance Jio, Bharti Airtel

Source: *ACE Equity; industry*

A MATTER OF TIMING

Like most other things, assets, too, have a shelf life. And if not sold at the right time, value destruction or migration is inevitable. For instance, BSNL and MTNL were amongst the most profitable companies 20 years ago. But their value has shifted to private telecom players such as Bharti Airtel and Reliance Jio. Similarly, had Air India been sold 10 years ago, it may have fetched a higher price. "If only India had come out with an enabling mechanism for data centre investment in the telecom sector around the time of the first coronavirus-induced lockdown in 2020, you could have investors putting large amounts of money into BSNL and MTNL assets," says a senior executive at a leading merchant bank. Some experts feel this may be the right time to sell a company such as Steel Authority of India when the steel cycle is at an all-time high. In another five years, when the downward cycle begins, it might not attract many takers. Similarly, in the case of Container Corporation of India, it may excite interest from several potential buyers as India is expected to do well in logistics.

The nature of a business also determines a buyer's choice. In December 2020, Bharat Petroleum (BPCL)—India's second-largest fuel retailer—attracted just three bids, with two bidders unable to raise the required cash. Anyone buying a large fuel distribution business would certainly factor in 20-year demand. But there is a fair possibility that within the next 15 years, the world would have shifted to electricity and renewable energy. And that has made investors wary of putting $20 billion into BPCL today. Recently, Vedanta Group offered to pay $12 billion for BPCL, say reports.

However, all may not be lost for companies like MTNL and BSNL. Experts like Choksey feel that using the right strategy, investor interest can be revived in them. "MTNL and BSNL have created such a strong wireline network and reach over the years. Today, the wireline network is becoming important for high-speed data communication. You just need to upgrade the infrastructure to offer a strong product. First, monetise their assets so that no third party takes advantage, and then sell them off," he emphasises.

But some assets, such as banks, will continue to be valuable in an emerging market economy like India. "The banking sector's performance impacts economic growth, and economic growth deeply influences the performance of a sector like banking. As far as valuation is concerned, there is no good or bad time for its maximisation. Investors willing to invest in financial services will see a good opportunity here," says SBI's Kumar.

DEMERGING NON-CORE ASSETS

There is another fundamental problem that is encountered during disinvestment. When a PSU is being disinvested or privatised, in most cases the government is not able to sell certain assets such as real estate and other businesses or joint ventures (JVs) at optimal value. So, it will need to devise a mechanism to dissociate non-core assets from all such entities. There would be takers for the PSUs, but their non-core assets would have different investors.

The government is now trying to consolidate the real estate holdings of PSUs. For every PSU, there will be a separate land-owning company, which will be merged into a central land-owning company to be monetised separately. "Real estate owned by PSUs has been a challenge right from the time of the privatisation of Videsh Sanchar Nigam Ltd in 2002. A decision can be taken by the Registrar of Companies. The government has the power to demerge a PSU without having to approach the courts," says a person familiar with the matter.

The consensus, therefore, is that there is no lack of interest or assets to be monetised through privatisation. The challenge lies elsewhere. "The question is if we will be able to supply global funds and strategic investors with an adequate asset pipeline. That can happen only if parts of assets in infrastructure sectors such as the railway, highway and the power sector are privatised or divested. What is ultimately required on the part of the government is a deal-making pipeline, to enhance their implementation capacity and bolster their willingness further to see these disinvestments through," asserts RBSA's Shah.

That's easier said than done. BT

@@manishpant22

FAR FROM TARGET

Disinvestment receipts in FY22 so far compared to the target of ₹1.75 lakh crore

Others	**3,994.33**
NMDC	3,651.37
NMDC	2.45
HUDCO	720.41
HUDCO	0.05
HCL	741.95
IPCL (now RIL)	219.34
TOTAL	9,329.90

Figures in ₹ crore; Source: *DIPAM (Department of Investment and Public Asset Management)*

A Budget for 'Shubhkruta'

The Budget must combine elements of 'new and novel' with the 'tried and tested', both incremental and disruptive, to usher in the year of light

BY **CYRIL SHROFF,** MANAGING PARTNER, CYRIL AMARCHAND MANGALDAS

RADICAL UNCERTAINTY MAKES DECISION-MAKING REQUIRE NEW PARADIGMS, where data, probabilistic analysis and similar tools provide limited support, say Mervyn King, former Governor of the Bank of England, and John Kay in their book *Radical Uncertainty: Decision-making for an unknowable future*. India's Finance Minister faces an unenviable task in the Union Budget to transition us past uncertainties ranging from Omicron, supply chain disruptions, interest rate normalisation and possible taper tantrums, inflationary pressures, climate change, as well as the opportunities of "blessings of unicorns", the 4 Ds of democracy, demography, demand and data, plus digital public infrastructure and the flood of international ESG capital to build back better and create the "next normal".

A humble wish list that integrates "new and novel" with "tried and tested":

• **A unified Indian financial code:** Like the unified "Securities Code" announced in last year's Budget, a single unified financial code is needed for Reserve Bank of India Act, Banking Regulation Act, Banking Companies (Acquisition and Transfer of Undertakings) Acts of 1970 and 1980, Payment and Settlement Systems Act, etc. This will not be a measure of consolidation, but instead an opportunity to embed regulatory governance best practices in the statutes. RBI undertook an exercise to set up a Regulatory Review Authority 2.0 (RRA2.0). The Indian Financial Code along with RRA 2.0 could introduce measures such as undertaking regular cost benefit analysis and public consultation *ex ante*; regulatory impact assessment and amendments and recalibration *ex post* to craft better quality financial regulation. This will also help weed out inconsistencies and help create predictability and consistency between regulated entities and eliminate regulatory arbitrage. The Indian Financial Code will also engender best practices in the manner of supervision and enforcement by RBI, which is currently a little *ad hoc*.

• **Structuring the asset monetisation pipeline:** The asset monetisation pipeline should be structured for success. Introducing a model PPP law to embed the role of the state on conflict and contractual principles could smoothen friction seen in earlier PPPs. The PPP legislation could allow for allocation, not to the bidder with the highest bid but the one able to invest in and improve the infrastructure through the life of the contract. The framework must also provide room for regular amendment of contractual terms. Establishing independent regulatory bodies operating under a set of well-defined parameters will be invaluable to PPPs, be it for tariff, standard setting, or dispute resolution.

• **Digital finance development:** The Budget should acknowledge the opportunities for digital finance as well as threats that need regulation. The NITI Aayog released a paper on licensing "Digital Banks". The finance ministry along with RBI and NITI Aayog must work to operationalise the idea to make financial services ubiquitous and safe; to unshackle structural constraints while remaining with the regulatory perimeter.

The entry of fintechs and Big Tech will create un-level playing fields and macro prudential concerns such as financial stability risks and customer protection. This will require reorientation of regulatory paradigms and the Budget should announce a committee to consider best practices.

Central Bank Digital Currencies can transform payment systems, and legislation to allow RBI to pilot and roll this out is critical. Blockchain and decentralised finance hold immense promise, while the multiple risks of cryptocurrencies must be regulated through moats, KYC and AML, liquidity and operational risk mitigation.

• **FRDI Bill:** The Insolvency and

Bankruptcy Code has been a qualified success, but was a stop-gap measure. However, given the unique capital structure and centrality of continued services of financial institutions, they require a distinct framework. The Financial Resolution and Deposit Insurance (FRDI) Bill must be put back on the table, and could draw from the Dodd Frank Act's "living will" requirement for all systemically important financial institutions.

• **India as the world's tech garage:** The Budget must give a fillip to India becoming the world's leading R&D and innovation hub. This includes devising *symbiotic* partnerships between the public and private sectors and resolving the governance, ownership and monetisation model that marshals the potency of the private- (creativity, inventiveness, product design) and public sector (size, scale, last mile connectivity). The government may also provide incentives for innovation—tax incentives, a trust-based ecosystem for regulation, among others. The FM could form a committee comprising a combination of Indian tech players and international tech majors and professionals to examine this more closely. This can be part of India's thrust of the G-20 presidency—digital innovation from India for the world.

• **India as the office of the world:** Deepening India's services exports, especially in digital, is an important reform that could complement Make in India, Digital India and Skill India. The PM's recent statements exhorting India's youth to skill, reskill and upskill could be the foundation for an outward-facing knowledge and skills-based economy. The idea of India being the office of the world complements Make in India. Manufacturing and services are increasingly converging through emergent technology (like 3D printing and IoT). A focus on services can help it leapfrog to global markets beyond the plateau that traditional global value chains are hitting.

• **Creating more unicorns:** India invests only $10 billion a year in start-ups, with 90 per cent being overseas capital. (By contrast, the US invests more than $135 billion annually on venture capital and start-ups, while China invests more than $65 billion, with over 60 per cent being local capital.) The requirement of daily NAVs restricts pension funds and insurance companies from investing in start-ups—this can easily be tweaked to allow for investment. Traditionally, debt in India has been provided to companies with large assets that can be secured or over which collateral can be created. Banks and FIs (and to some degree debt funds) do not understand new-age firms or start-ups and therefore did not fund them. However, with data, other new-age assets and revenue projections, there may be several "flow based" and other lending and other products that Indian debt markets must mature into.

These changes could help us glide from *Plava* (year of transition) to *Shubhkruta*, the year of light. BT

The Union Budget should look to create a unified Indian financial code, structure the asset monetisation pipeline, create a framework for digital finance, bring back FRDI, stimulate tech R&D, and help create more unicorns

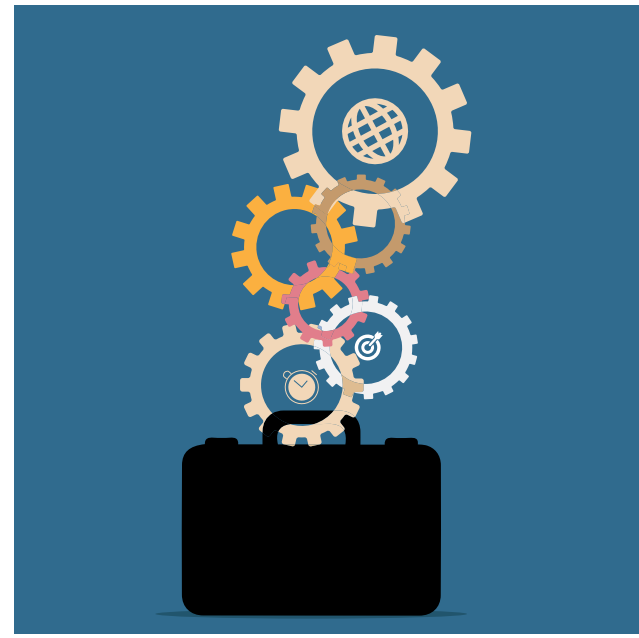


ILLUSTRATION BY **RAJ VERMA**

Richa Roy, Partner, Cyril Amarchand Mangaldas, also contributed to the article

Building Infra in an Investment Boom

How the Centre will bridge the fiscal gap, and citizen's aspirations, with on-ground availability of financing is the question that needs to be addressed

BY **N. VENKATRAM,** CEO, DELOITTE INDIA

AS THE DECKS ARE CLEARED for Budget 2022-23 in the long shadow of the pandemic, budgetary allocations on infrastructure will impact the pace of economic activity and renewed growth. It goes beyond academic interest, therefore, to understand how the government will stimulate long-term sustainable finance for the sector and boldly put together a viable business case for large-scale private investment that shares in the socio-economic benefits. The latter, through regulatory reforms that allow for alternative avenues of finance, such as pension funds.

Infrastructure Development and Financing Today

Much has been done. For a start, about ₹111 lakh crore is to be invested in the National Infrastructure Pipeline (NIP), an amalgam of roads, highways, bridges, railways and urban infrastructure expected to decimate bottlenecks to movement of people, materials and services. Close to 50 per cent of the NIP is financed by the government. This investment is indisputably a GDP multiplier with tangible public benefit. Hence the need to incentivise the private sector to share in the economic returns from taxation, tolls and real estate appreciation.

The multiplier effect is from the scale of the projects that are envisaged. Investments such as the Delhi-Mumbai Industrial Corridor, Chennai-Bengaluru Industrial Corridor, East-Coast Economic Corridor—each comprises myriad projects. Economic value, and gain, will arise from new road development, railway linkages, ports, airports, industrial and logistics parks, residential and commercial property; the list goes on and on. One can well imagine the positive impact on our Tier II and Tier III cities, and the work opportunities this creates. Activities on this scale attract involvement of central government departments, state and local government bodies, and then require multi-level coordination on a gargantuan scale. To illustrate, the NHAI currently oversees national highway construction, while the State Public Works or roads department maintains state highways, with the local municipality providing last-mile connectivity to the industrial park.

To speed up implementation, there is great expectation that the Gati Shakti technology-enabled platform will coordinate 16 government ministries as they work on financing the NIP projects. For efficient use of scarce resources, the initial entrants to the Gati Shakti platform could be from priority sectors that enjoy production linked incentives.

As part of innovative financing for the ₹111 lakh crore NIP, the National Monetisation Pipeline envisages recycling or monetisation of approximately ₹6 lakh crore from operating/completed infrastructure projects in roads, railways, aviation, urban development and telecom in the period to fiscal year 2025. And the recently established National Bank for Financing Infrastructure and Development envisages an infrastructure financing portfolio of ₹5 lakh crore within four to five years. State governments are being incentivised to undertake capital expenditure and participate in asset monetisation by low-interest, long-term loans.

The overall government share of capital spending is 48 per cent of which the Centre's share is estimated at 25 per cent, with the balance provided by the states. The remaining 52 per cent would need to come from pension funds, insurance companies, private equity and private investment, banks and financial institutions (see *The Pension Gap*).

Incentivising Infra Financing

Sustainable financing as described above should continue to be supported and encouraged through fiscal measures. This is important to pull away from financing large infra projects by banks and NBFCs. These financiers typically have short-term liability profiles, leading to mismatch between the long-term invest-

ment and the shorter loan tenures.

Overseas long-term infrastructure investors such as sovereign wealth funds, pension funds, and private equity funds have been incentivised to remain interested in the India infrastructure story. However, interest of domestic pension funds and insurance company investment in infrastructure projects is less noticeable, and much below the permissible 5 per cent of total corpus.

Benefits such as exemption on dividends, interest income and long-term capital gains for sovereign wealth funds and foreign pension funds can be extended to subsidiaries or SPVs promoted by them. This could include 'interest' in non-corporate entities as an eligible mode for investment for sovereign wealth funds, long-term capital gains from indirect transfers of assets located in India, and sovereign wealth pension fund exemptions extended to other categories of investors such as real estate investment trusts that invest in affordable housing projects and smart city initiatives as well as infrastructure-focussed private equity funds.

The government can perhaps consider an upward revision to the existing investment cap in certain alternative assets. This would require strengthening of governance, disclosure, and risk-based supervision mechanisms for select funds under the National Pension System, which are targeted at the section of the populace with high disposable incomes and financial literacy. A higher weighted-tax deduction of 150 per cent of personal contribution and enhanced exemption on final withdrawal/maturity would make pension funds more attractive as savings. Over the medium to long term, the national pension corpus will grow as coverage increases to support an ageing population and our aspiration should be similar to countries such as the US and other developed countries where the ratio is almost equal to or even exceeding that of their GDP. This will provide more funds for infrastructure financing, and steady cash flows to the investors.

With regard to relieving the tax burden arising from separate SPVs being formed for project financing purposes, cash flow support can be given to project-specific SPVs through consolidated group-tax filing, allowing the offset of losses incurred by an SPV against the profits of other entities in the same group.

While there were dedicated funds created for infrastructure from cess, most were done away with after GST was introduced. One option could be to augment revenues by addressing tax-related anomalies in certain sectors. For example, property tax collection has been estimated at around 0.2 per cent of GDP in India vis-à-vis around 3 per cent in the US, UK etc.

THE PENSION GAP

1. Domestic pension fund corpus, excluding provident funds, is around ₹7 lakh crore as of September 2021. Investments are predominantly in government securities (50 per cent), corporate debt (30 per cent) and equity (20 per cent). In comparison, in large pension markets such as the US, UK, and Canada, investments are around 43 per cent in equity, 29 per cent in bonds, and 26 per cent in alternate assets.
2. Pension penetration in India is low, with the pension corpus (including provident fund) being only around 10 per cent of GDP. This is almost equal to GDP or even more in the US, UK, Canada and Australia.
3. This implies inadequate resources for social security coverage given the higher life expectancy and resultant change in age mix for India's population, together with changes to the social structure with more nuclear families.

Diversifying the Sector Mix for Infrastructure Investments

While there has been increased FDI in infrastructure over the past three to four years, this has veered towards roads, power transmission, telecom towers and renewables. Increased traction is required in other sectors such as railways and urban infrastructure, in which substantial investments are envisaged in the NIP.

The Centre can proactively identify the pipeline of bankable projects, standardise likely PPP structures, concession terms and associated documentation, based on its key learnings from successful projects. In some sectors, it would be vital to strengthen the regulatory framework to provide a "level playing field" to potential private investors/operators. A typical case in point is in attracting private investment in passenger train operations where potential private operators saw adverse risk-return trade-off due to track infrastructure being shared with the Indian Railways, which also doubles as regulator and operator.

There is no doubt that India needs the infrastructure so ably articulated in the NIP. Nor is there disagreement that we need new ways and means to finance these long-term projects. How the government will bridge the fiscal gap, and citizen's aspirations, with on-ground reality on availability of financing is the question that needs to be addressed. Building infrastructure is currently an ambitious task, given the precarious funding, but this ambition is not a bridge too far for potentially the world's third-largest economy. We need to take advantage of the investment boom. BT

India Next—Charting the Growth Story

Maintaining a laser focus on three important pillars will enable India to fulfil its aim of becoming a $1-trillion manufacturing economy in the near future

BY **SANJEEV KRISHAN,** CHAIRMAN, PwC IN INDIA

THE INDIAN ECONOMY IS ANTICIPATED TO BE ONE OF THE FASTEST GROWING ECONOMIES IN THE WORLD (IMF estimates India's GDP to grow at 9.6 per cent in CY22). This is a positive step towards realising our ambition of becoming a $5-trillion economy in the next few years. While there are varying opinions on when we may get there, our original target of FY25 may be a stretch due to the pandemic and its impact on the economy. At the same time, there is a general consensus that the manufacturing sector must play a pivotal role to achieve this goal. This is reflected not just in the report of the Working Group on the $5-trillion economy (20 per cent of the $5 trillion is projected to come from manufacturing compared to the sector's 17.4 per cent contribution to the GDP in 2020), but also in the various initiatives taken by the Government of India to boost manufacturing through flagship programmes such as Make in India or the Production Linked Incentive (PLI) scheme. Interestingly, while Covid-19 has slowed our growth journey, it has also caused businesses to focus on supply chain resilience and created an opportunity for India to become a global manufacturing hub. As per a World Economic Forum (WEF) report, this alone can add an additional $500 billion (compare this with our $1-trillion manufacturing ambition) to the Indian economy by 2030. Therefore, there is a clear need to not only be Aatmanirbhar, but also to cater to the export market.

The opportunity in India's manufacturing sector is immense. So, the big question is around the readiness of our nation to drive a manufacturing-led economic growth story. Can the manufacturing sector drive economic growth over the next decade, similar to how the services sector led growth over the past two decades? Are we ready for this journey? A number of initiatives have been launched in recent times to provide impetus to the manufacturing sector. Continued focus on these schemes for them to become effective and operational in the real sense of the terms would be a good first step in our endeavour. I have identified three such areas.

Labour reforms and employment: Firstly, while manufacturing is expected to boost India's GDP, one must take a more holistic approach and also consider the impact of this growth on employment generation. We can no longer afford to replicate the past where we have seen the manufacturing sector actually reduce jobs rather than increase them (as per the CMIE, 27 million people were employed in FY21 compared to 51 million in FY17). India, like other nations, must traverse the path of initially focussing on labour-intensive manufacturing and then transitioning to capital-intensive manufacturing. Accordingly, the government must take measures to boost labour-intensive segments of manufacturing (such as food processing, textiles, metals, automobiles and electronics assembly) and labour reforms are critical to achieve this. The government has already embarked upon this journey and brought 29 existing labour laws under four new codes to capture the emerging labour needs. While this is a great initiative to begin with, the right enforcement is equally critical. For example, the government must be proactive in incentivising firms to comply with the code of social security, and bringing in definition clarity on gig-, platform- and self-employed workers. At the same time, industry-specific policy initiatives are needed to give these segments the necessary boost.

Availability of land and quality of associated infrastructure: High-quality land and associated infrastructure (logistics connectivity, power supply, etc.) promote competitive supply chains and this is critical for manufactur-

ILLUSTRATION BY **ANIRBAN GHOSH**

For a manufacturing-led economic growth story in the future, India must focus on labour reforms, availability of land and quality of infrastructure and ease of doing business

ing set-ups to succeed. As per data sourced from the India Industrial Land Bank (IILB), India has over 4,300 industrial parks where over 0.1 million hectare of total land is available. Over 59 per cent of the available land is present in just three states, viz. Tamil Nadu, Gujarat and Maharashtra. Therefore, we need to focus on more inclusive and coordinated development, and planning of large-scale industrial infrastructure. The National Industrial Corridor Development Programme (NICDP) is one such initiative aimed at providing multimodal connectivity with complete 'plug-and-play' infrastructure till the plot level, along with building sustainable, future-ready cities. The Gati Shakti programme is another initiative which aims to build the much-needed institutional framework for coordinated development on such large-scale projects. It will now be critical for all relevant institutions and agencies to deliver on these plans in a consistent, coordinated, accountable and time-bound manner. The other pivotal element will be financing these programmes and leveraging the private sector as a source of capital.

Ease of doing business: The third critical factor to enable India's competitiveness in manufacturing is promoting differentiated ease of doing business for investors. This entails developing investor-friendly policies and helping investors align their businesses with global production networks. The National Single Window System (NSWS), a portal operationalised by the DPIIT, is a good step towards achieving this goal. The next important step would be to onboard the various central and state ministries to ensure coordinated and timely approvals. The production-linked incentives across 15 sectors with an outlay of approximately $37 billion is a very important step in driving India's competitiveness as a manufacturing hub. Investors across electronics, pharmaceuticals, food processing, solar PV manufacturing and battery manufacturing sectors have shown interest and applied under this scheme. Our ability to provide a transparent implementation framework, an objective criterion for the disbursement of incentives, and continuity of the policy landscape would build investor confidence. At the same time, we must communicate more with global players and disseminate these policy and process changes. This will allow us to enhance manufacturing-linked FDI, which has historically remained below potential. Yet another element is digital adoption, that is, ensuring that compliance and regulatory elements can move to the digital platform to the maximum extent possible.

If we can maintain a laser focus on these three areas, including introducing newer policy measures and ensuring the implementation of both new and existing measures, we will be well equipped to meet our aim of becoming a $1-trillion manufacturing economy in the near future. I believe that the future is very bright. BT

Mohammad Athar (Saif), Partner and Leader-Industrial Development, PwC India, also contributed to this article

$5-trillion: From Ambition to Action

If growth and private investments take off, fiscal deficit should come under control, reducing the need for the government to borrow

BY **RAJIV MEMANI,** CHAIRMAN AND CEO, EY INDIA

AS THE FASTEST GROWING MAJOR ECONOMY, India is slated to drive global growth. The poise with which India managed the pandemic impact and navigated from a negative growth in the first two quarters of FY21 to positive growth in the next four consecutive quarters deserves praise.

As the Finance Minister presents the Union Budget, she will have the complex challenge of balancing this pace of growth with keeping the fiscal deficit in check, against the backdrop of the likely impact of the new Covid-19 wave and rising inflation. For this Budget, choosing growth to aid recovery will be advisable—if growth and private investments take off, fiscal deficit will gradually come under control with lesser need for the government to borrow.

I make a case for a more calibrated return to fiscal consolidation as a more suited policy at this juncture for the country.

Fiscal Policy: Key to Growth

The latest MOSPI estimates indicate that India's real GDP growth for FY22 is expected to be at 9.2 per cent. At this growth, India's output in absolute terms is likely to be about ₹147.5 lakh crore in FY22, a mere 1.3 per cent growth over ₹145.7 lakh crore achieved in FY20. The impact of the Omicron wave may pose some hurdles for this growth. With inflation gathering momentum, RBI may be constrained to increase or maintain the current repo rate. Thus, monetary policy may have a limited scope for supporting growth. In this milieu, an impetus on investments and capital expenditure through a supportive fiscal policy is the need of the hour to achieve India's ambition of a $5-trillion economy.

Fiscal Deficit

The FRBM Act, 2003, envisaged the Centre's fiscal deficit to GDP ratio to be reduced from 5.8 per cent in FY03 to 3 per cent by FY09. After achieving a low fiscal deficit of 2.6 per cent of GDP in FY08, due to the global financial crisis, it increased to above 6 per cent in the next two years. Since then, it was brought down to 3.4 per cent in FY19. In recent years, it has again exceeded targets due to several challenges and developments including tax reforms like GST and the reduction in corporate income tax (CIT) rates. For FY22, the budgeted fiscal deficit is 6.8 per cent.

The 15th Finance Commission has provided a benchmark glide path for fiscal consolidation that envisages a deficit of 5.5 per cent of GDP in FY23, reducing it by 0.5 per cent in each successive year to reach 4 per cent by FY26. A 4 per cent fiscal deficit can be accommodated for some more years, beyond FY26, though it is higher than the FRBM target of 3 per cent. This is possible because the effective interest cost has been falling over the years.

Expansionary Budget

This year has seen high growth and buoyancy in the Centre's gross tax revenues (GTR) partly due to the low base effect as also higher nominal GDP growth because of high deflator-based inflation. In H1 of FY22, GTR grew 64.2 per cent and tax buoyancy stood at 2.7. In the first eight months of FY22, GTR recorded a 50.3 per cent growth. This is much higher than the corresponding numbers in FY20.

Indications are that due to high WPI-based inflation expected in FY23, nominal GDP growth will continue to be higher than the real GDP growth by 6-7 percentage points. Accordingly, the government's gross tax revenues are likely to increase by 25 per cent. With the robust tax revenues, the government is in a stronger position to accelerate infra spending. But, to meet the fiscal deficit targets, its borrowings should be contained to about 5.5 per cent of GDP in FY23.

Accelerate Capex Reforms

The Centre has announced visionary plans for capex including the National Infrastructure Pipeline (NIP),

National Monetisation Pipeline, and disinvestments. Speedy implementation of these projects will help drive capex in the private sector as well, whose balance sheets are currently deleveraged and looking healthy.

NIP planned an investment of ₹111 lakh crore from FY20 to FY25 with the objective of improving project efficiencies and attracting investments into infrastructure. With three years about to lapse in March 2022, it is time to assess NIP's performance in terms of its sectoral targets and financiers. It should be done before the FY23 Budget so that adequate budgetary resources for capital spending may be allocated to make up for deficiencies. This would also be the right time to redefine the sectoral role as well as investors and recast NIP for the next three years, as NIP 2.0.

The government should be complimented for successfully kicking off the PSU privatisation exercise with the sale of Air India. But the target of realising ₹1.75 lakh crore through disinvestments may be a challenge. The Centre should focus on early conclusion of strategic sales in other PSUs, especially in the commodity sector. In addition, early implementation of the National Monetisation Pipeline of key infrastructure assets will open fresh opportunities for the private sector to invest in projects.

ILLUSTRATION BY **RAJ VERMA**

The government can propel the investment cycles by hastening reforms and greater capital spend

Reforms and Ease of Doing Biz

The government has consistently focussed on structural reforms across sectors to address supply side issues and has also improved ease of doing business. These measures must continue to reduce time and cost overruns for businesses.

The government may examine decriminalisation of economic laws for procedural defaults, on the lines of that done for Companies Act and LLP Act. Industry also looks forward to expeditious execution of the reforms already announced.

On the tax front, the CIT rate reduction fulfilled a large aspiration of the business community. Tax rates on dividends for residents should be brought down and capped to 20 per cent to maintain parity with non-resident investors. The current capital gains tax structure needs an overhaul for bringing consistency in tax rates and holding period for different asset classes. The faceless dispute resolution scheme should be implemented at the earliest. The Advance Pricing Agreement mechanism should be strengthened. Regarding GST, legislative reform and rate rationalisation will help achieve its true potential.

Growth Momentum

Despite the pandemic, we are witnessing a buoyant global environment. India has seen a large pie of the emerging market investment inflows over the past year. The private sector is also bullish, much supported by a strong capital market.

By accelerating execution of reforms, ensuring that schemes like PLI take effect on the ground, and by providing for greater capital spend in the Budget, the government has the opportunity to propel the investment cycles. With availability of capital, combined with strong balance sheets of the private sector, the government can address the triple objectives of rekindling demand, growth in the manufacturing sector and employment generation. BT

The Resource Mobilisation Challenge

Tapping into healthier revenue generation avenues will create the fiscal space for the government to ramp up infrastructure spend and development

BY **ELIAS GEORGE,** PARTNER AND HEAD–GOVERNMENT & PUBLIC SERVICES (G&PS), KPMG IN INDIA

WITH THE UNION BUDGET SET TO be announced shortly, the Finance Minister is faced with the challenge of determining additional avenues for mobilisation of financial resources to support the government's ambitious infrastructure development and growth targets. Over the past few years, the government has explored various sources of generating revenue to supplement the limited fiscal resources available. Apart from the taxation route, an assessment of non-tax revenues of the government shows a significant rise from 2.7 per cent of GDP in 2014-15 to 5.1 per cent of GDP in 2020-21.

Non-tax revenue generation methods by unlocking investment value of public sector assets to generate capital has been institutionalised through the National Monetisation Pipeline. This programme aims to aggregate the monetisation potential of ₹6 lakh crore through core assets of the central government over FY2022-25. As identified by the government, the road, railways, power, oil & gas and telecom sectors appear to be amenable to generating large revenue through asset monetisation. Initial success of this drive has been witnessed with NHAI raising ₹17,000 crore through the toll-operate-transfer mode over the past two years. However, these are still early days.

Having surpassed two waves of the pandemic, and in the midst of the third wave, the case for government intervention to spearhead economic recovery continues to remain very strong. Since around 15 per cent of India's GDP comes from government expenditure, providing state governments with funds to spend is critical for recovery, as state expenditure has a high impact on sustained economic activity. Both the Centre and the states need to explore additional means to bridge revenue shortfall, in line with their current strategies.

Disinvestment and Asset Monetisation

While disinvestment is a reasonable measure to tide over the revenue shortfall that both the central and state governments are facing, as per the central government, disinvestment of only eight PSUs has been completed from amongst the 36 PSUs selected in 2016. The central government pegged its disinvestment target at ₹1.75 lakh crore for FY22, over five times what it raised in FY21. While it missed its previous year target by a significant margin in the backdrop of the pandemic, efforts to realise its current year target as much as possible are underway.

There are significant amounts of non-core assets that the government is looking to monetise. According to the NITI Aayog, assets close to about ₹90,000 crore can be leveraged to generate revenue for the government:

- Unused assets in the aviation sector: ₹15,000 crore
- Non-core assets in power sector: ₹20,000 crore
- Transportation assets—railways, roads, shipping—₹55,000 crore

The government also intends to establish the National Land Monetisation Corporation to monetise state-owned surplus land assets.

Various public sector undertakings have a lot of under- or un-utilised assets that could be monetised in innovative ways. The Centre may consider incentivising states to monetise these assets in an attempt to generate financial resources. Some of the key sectors under the control of state governments that are amenable to monetisation include:

- Tourism: Land assets and properties in enviable tourist locations
- State mineral resources: Value addition possibilities
- State highways: Toll charges
- Transport: Bus station modernisation, ads on tickets, seats, etc.
- Municipal corporations: Reassessing rentals of leased properties; monetising buildings and land

For revenue-producing assets in

ILLUSTRATION BY **ANIRBAN GHOSH**

The Finance Minister faces the challenge of determining additional avenues for mobilisation of financial resources to support the Centre's infra and growth targets

the future, an SPV model for debt-equity raising can be considered. For example, un-utilised land tracts could be put to effective use without the need to sell them. This can fundamentally transform the rate and speed of growth by reimagining the way assets are monetised.

Asset monetisation can help both the Centre and states unlock real value in the economy.

Tax Rationalisation

Over the past few years, the government has undertaken various tax reforms and process simplification measures. Such tax reforms, including reduction in corporate tax rates, giving legal sanctity to the taxpayer charter, use of technology to ensure frictionless interaction for assessments and appeals, introduction of Vivad Se Vishwas (VSV) scheme, etc. have considerably improved India's image as a tax-friendly jurisdiction. That apart, the GST regime has also witnessed changes on the law and policy front, as well as automation of compliances. These reforms, providing 'tax certainty' and 'ease of doing business', should eventually lead to increase in tax collections for the government and reduce fiscal deficit.

Taxation of Big Tech

India was an early mover in introducing unilateral measures to tax non-resident digital companies. In 2016, India introduced a digital tax in the form of Equalisation Levy on online advertisements, which was later expanded to cover online sale of goods and provision of services. In the next couple of years, with implementation of OECD Pillar One proposals, the taxation world would witness a complete overhaul of global tax norms. Pillar One implementation would ensure reallocation of a share of profits of the digital companies to the jurisdictions where its users are located. While India expects to garner greater taxation rights over the overseas digital companies' profits, it may have to withdraw the Equalisation Levy provisions currently in vogue.

Rationalising GST Rates

The government may consider revisiting GST slabs of products in the 28 per cent category, which may only be reserved for purchases that are unhealthy, environmentally harmful and represent extreme luxury. Taxation on aspirational purchases such as consumer durables could be kept in the 18 per cent or lower GST slab. Even for products considered as extreme luxury, elasticity of consumer purchase preferences should be central to determining their GST rate.

The government may also reassess GST slabs based on maturity of sectors. There are sectors that are predominantly still in the unorganised mode (such as house interior works), and where scope for GST compliance is low, both from consumer and supplier sides. Governments may consider reducing the GST slab for such sectors to 5 per cent to encourage inclusion in the tax net.

Tapping into healthier revenue generation avenues at central and state levels will create the fiscal space for the government to ramp up infrastructure spend and development. **BT**

PRE-BUDGET - EXPECTATIONS

WHAT UNION BUDGET 2022-2023 NEEDS NOW

Hassle-free credit, clarity on taxes, higher exemptions

Legislation, tax sops, infra support, policies, duties

Experts from sectors across the spectrum weigh in on what they expect from Finance Minister Nirmala Sitharaman when she presents the Union Budget on February 1

ILLUSTRATIONS BY **ANIRBAN GHOSH**

MAKE SMALL POWERFUL

A distressed MSME sector hopes for some relief in the Budget

THE ONGOING third wave of Covid-19 has battered the already distressed MSME sector. This sector holds significant value in the Indian economy as its share of gross value added in India's GDP at current prices for 2019-20 stands at 30 per cent. MSMEs face problems in getting access to credit. "In the upcoming Budget, we suggest hassle-free credit availability to industry, particularly for MSMEs; ease of doing business for the MSMEs; reduced costs of doing business; level playing field for the industry; and timely justice for people and industry," says Pradeep Multani, Chairman, PHDCCI. On the credit front, V. Padmanand, Partner, Grant Thornton Bharat LLP, says, "There is need for faster clearance of dues to MSMEs. There is also scope to onboard more state government departments and state public sector units into the TReDS (Trade Receivables Discounting System) platform." According to him, there is also merit in encouraging financial institutions to evolve cluster-based financing instruments to make the financial sector more responsive to the distinct needs of cluster MSMEs in terms of ballooning requirements, etc. Another demand is the extension of the Emergency Credit Line Guarantee Scheme (ECLGS). "We suggest extension in the timeline of ECLGS for another year till March 31, 2023, and extension of the reduced rate of performance security at 3 per cent for one more year till December 31, 2022," Multani says. To give a fresh impetus to exports from the sector, he suggests export income for MSMEs be made tax-free for three years; he also wants the income of large enterprises from incremental exports (year-on-year) to be made tax free. Will the Union Budget 2022-23 fulfil the hopes of MSMEs? Only time will tell.

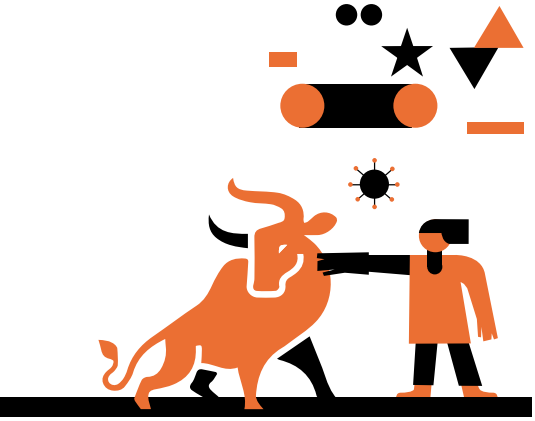
—RAJAT MISHRA

FINANCE THE NATION

Need of the hour: a framework for financial services

FOR SOME YEARS, the Union Budget has been building a new substructure for the financial services industry. Be it a Bad Bank or return to a development financial institution model, the new institutional framework is aimed at supporting banks and non-banks to push safe consumer lending, focus on less risky project loans, and hand over bad loans to a specialised institution to free up capital. Experts say the Budget will create an enabling environment for these new institutions. "Infra financing needs tax-free bonds with a government guarantee, first loss provisioning and also attracting retail investors to widen the investors' base," says Abizer Diwanji, Head (Financial Services) at EY India. In the public banking space, the government has consolidated some 10 public sector banks (PSBs) into four large banks. The Budget is likely to name the two PSBs and a general insurance company that will see privatisation this year. Non-banking finance companies (NBFCs) have gone through a lot of distress despite surplus liquidity in the market. Banks didn't support NBFCs post-Covid-19 because of high risk perception. "NBFCs play a crucial role in serving the under-served in smaller geographies. They need continuous support," says Vimal Bhandari, Executive Vice Chairman and CEO, Arka Fincap. Industry association ASSOCHAM has asked for a permanent refinance window for raising funds. FICCI, another industry body, has suggested creating a direct line of credit for non-bank lenders at a pre-fixed rate. Sanjiv Chadha, MD & CEO, Bank of Baroda, says interventions like the ECLGS for MSMEs may be needed to support smaller units. "We may also expect some more supportive action by the government to create market makers in the corporate debt market," he says.

—ANAND ADHIKARI



NURTURE THE BULL

Capital market players have a long wish list for the government

DEMAND FOR tax sops and incentives for investing in the capital market is a regular feature before every Union Budget. What makes 2022 special, however, is the fact that the penetration of stock markets has increased in a never-before-seen manner with 2021 alone accounting for nearly 17 million new investors. The capital market has a long wish list, which includes, among other things, reduction in classification of income arising from stock market investments for tax computation, reintroduction of rebate against securities transaction tax (STT) and commodities transaction tax (CTT), and certain other tax exemptions. Stakeholders, including the Association of National Exchanges Members of India (ANMI)—the umbrella body of around 900 stock brokers—have highlighted to the government the fact that incomes arising out of stock market transactions have been classified into too many categories causing practical issues for the investors. Market participants have suggested creating three broad categories: Business Income, Long Term Capital Gain and Short Term Capital Gain. They have also requested the government to reintroduce the rebate under Section 88E in lieu of STT and CTT. While a complete abolition of STT and CTT has been a long-standing demand of the capital market, a section of participants believes that the government must at least reintroduce the rebate, which was available till 2008, to avoid double taxation, while also reducing the cost of trading. Among other things, the capital market has sought tax exemptions for senior citizens for dividend income up to ₹50,000. ANMI says since senior citizens get exemptions for interest income up to ₹50,000 earned on fixed deposits, a similar exemption should be given on dividend income.

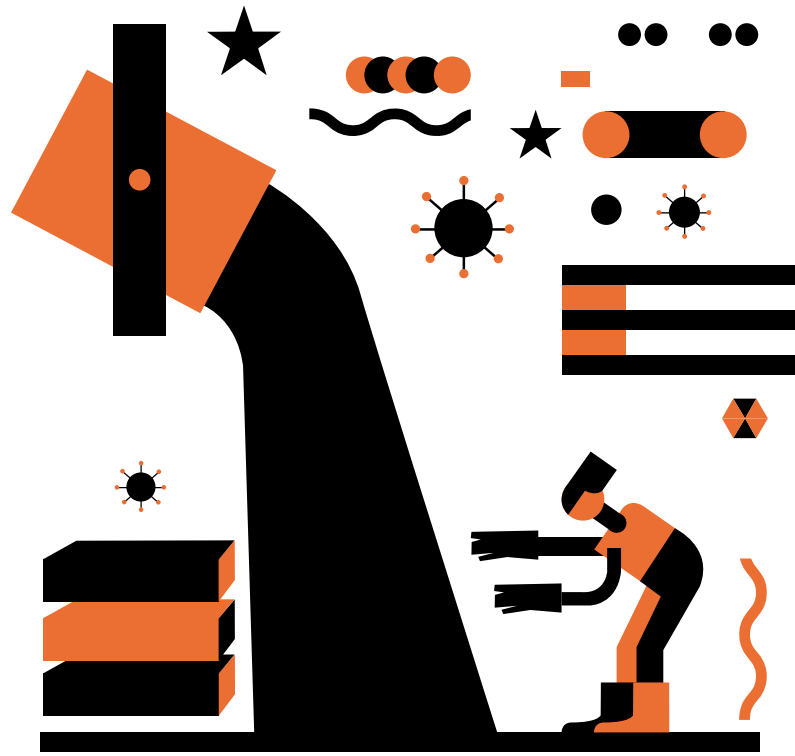
—ASHISH RUKHAIYAR

FORTIFY THE FURNACE

Steel sector bats for lower duties on raw materials

AHEAD OF the Union Budget, steel industry participants have requested the government to review the duties that impact the sector while highlighting aspects that increase the input costs. In a memorandum, industry body Indian Steel Association (ISA) has requested the government, among other things, to reduce the basic customs duty on coking coal, SS scrap and nickel to nil from the current 1 per cent plus 1.5 per cent agriculture cess since the availability of these input raw materials is very low. More importantly, it wants the government to bring petrol, oil, lubricants and natural gas under the purview of GST. It says bringing these under GST would help industry players get input credit. It has also sought waiver of coal cess or refund of input tax credit on GST compensation cess of ₹400 per tonne of coal consumed for domestic steel sales. This assumes significance as the government had created the National Clean Energy Fund with contributions from the clean energy cess imposed on coal mined in India or imported. The cess rose from ₹50 per tonne in 2010 to ₹400 a tonne in 2016. However, with GST coming into effect, it became a part of the GST compensation cess. The ISA believes that a waiver or refund would help reduce the input cost and, in turn, the prices in the downstream industry. Another important suggestion is the removal of 'Lesser Duty Rule' or LDR, which was introduced in 1999. The removal of LDR would allow the government to impose higher duties on dumped or subsidised imports. ISA says LDR has become ineffective as it is not binding upon WTO members and large economies do not follow it, even as import tariffs have been reduced to as low as zero under various free trade agreements and regional trade pacts.

—ASHISH RUKHAIYAR

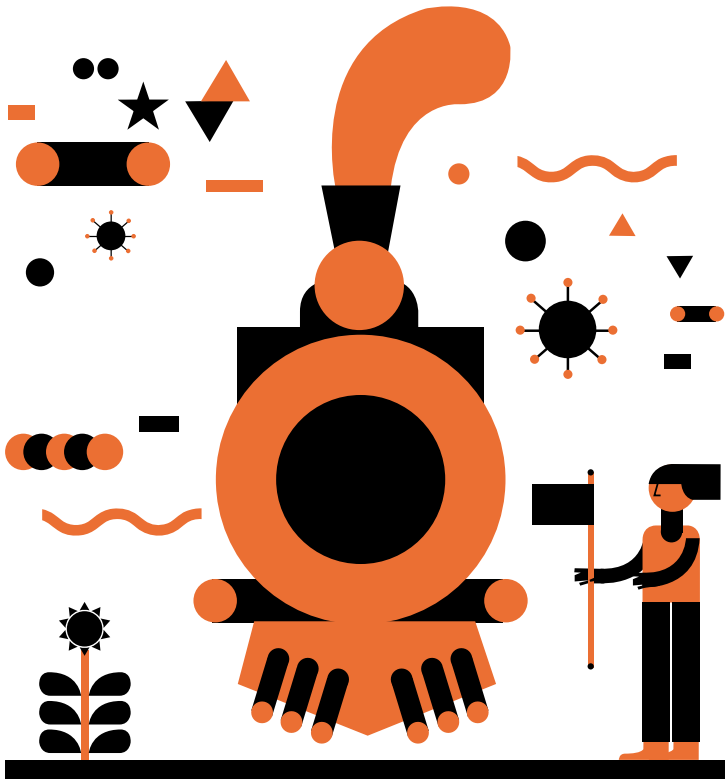


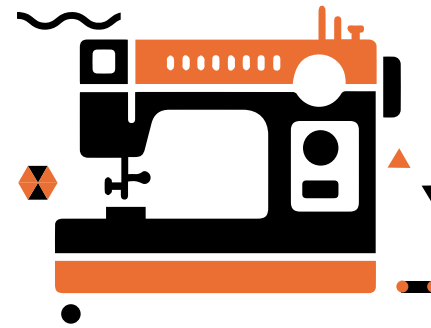
PRIVATISE THE TRACKS

Railways needs to do more to attract investments

▸ **THE GOVERNMENT** plans to raise more than ₹1.5 lakh crore till 2025 from the Indian Railways under the ₹6-lakh crore National Monetisation Pipeline. An attempt in 2020 to invite private operators on 109 railway routes had received a lukewarm response. The Budget might, therefore, attempt to make such assets lucrative for potential investors. In terms of passenger amenities, though the redevelopment of 400 railway stations is already underway, there is a need to hasten it. "A specific budgetary allocation can be called for this as well and post infra development, the same can be put up for asset monetisation," says Jagannarayan Padmanabhan, Director and Practice Leader, Transport and Logistics, CRISIL Infrastructure Advisory. "There is need for enhanced participation of the private sector. A certain amount could likely be set aside for public-private partnership projects including the hybrid build-operate-transfer model being proposed by the ministry." Despite the pandemic, freight traffic continues to grow and so the allocation to support related infrastructure may see a boost. To augment infra development, the Railways may seek partnerships with state governments, with budgetary support for such special purpose vehicles. Industry would also be keen to have definitive timelines for full operationalisation of projects like the eastern and western dedicated freight corridors and the high-speed railway. "Railways-owned entities like the Indian Railway Finance Corporation can be used as financing vehicles for some of the associated capex projects to grow their business in other associated infrastructure sectors," Padmanabhan says. Industry's demand for an independent regulatory authority may also be considered to help attract private capital.

—MANISH PANT





INVERT THE STITCH

The textile industry, a beneficiary of a slew of measures announced in last year's Union Budget, is looking at some tweaks in duties and the duty structure to help the sector

▸ **LAST YEAR'S** Union Budget was a shot in the arm for the textile industry. There was no reason to complain, with a slew of measures—such as reducing duty on nylon raw materials and the decision to set up seven mega textile parks—going down very well. The bad news was the 10 per cent import duty on cotton. Understandably, that is what the industry wants removed in an ideal situation, or at least halved. R.K. Vij, President, The Textile Association (India), says any measure taken on that front "will work to the industry's advantage". Taking a moment to explain what is going on globally, he is clear that China is having a tough time, while the likes of Bangladesh fall in the least developed countries category. "It is a huge opportunity for India and we must go for it," is his opinion. The expectations from the Union Budget for 2022-23 are moderate and largely restricted to correcting a few anomalies. The man-made fibre industry is one characterised by an inverted duty structure and Vij says it is 18 per cent for fibre, but 12 per cent for yarn and filament. "If that can be addressed, it will simplify a lot of things," says the head of the industry body. Another similar point relates to PTA (purified terephthalic acid) and MEG (mono ethylene glycol), where the GST is 18 per cent, but 12 per cent for filament yarn. "We have just three companies manufacturing PTA and they pay more than those in the downstream business for whom the duty is 12 per cent," points out Vij.

—KRISHNA GOPALAN

ELECTRIFY THE WHEELS

The auto sector hopes the Budget will help it get back on track

INDIA'S AUTO industry has been facing headwinds for the past few years, made worse by the pandemic and the semiconductor crisis. Automakers expect the Budget to address the industry's concerns and help it get back on track, especially luxury OEMs. "Burdened under high duties, GST, cess and registration costs, we urge the government to rationalise the entire tax structure, which eventually will lead to higher volumes for the industry. Equally important is a stable policy regime for an uninterrupted business due to long lead times, which is specific to the luxury automotive industry," says Balbir Singh Dhillon, Head of Audi India. The auto components industry, meanwhile, wants a uniform GST rate of 18 per cent on all auto components. "The industry has significant aftermarket operations that are plagued by grey operations and counterfeits due to the high 28 per cent GST rate. A moderate rate of 18 per cent will not only address this challenge but will also enhance the tax base through better compliance," says Sunjay Kapur, President, The Automotive Component Manufacturers Association. Experts say the Budget will be crucial for the auto sector as it can facilitate the industry's effective revival and that electric mobility will be a key focus for the government going forward. "With several Indian and international groups keen to invest in the EV segment, the government should focus on bolstering the infrastructure to enable easy manufacturing and usage of EVs and EV-related elements such as charging kiosks to boost demand... we're in the midst of one of the biggest tech-led transitions in India and the world, and we expect that this year's Budget will focus more on tech-led developments," says Greg Moran, CEO and Co-Founder, Zoomcar.

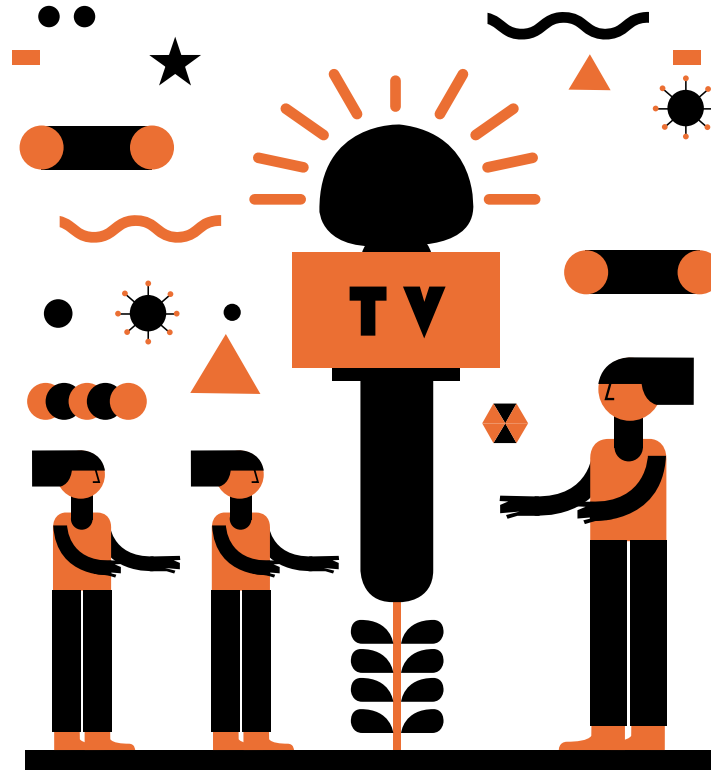
—PRERNA LIDHOO

BRING BACK THE AUDIENCE

Entertainment sector needs a Budget breather

THE MULTIPLEX industry is probably the worst hit by the pandemic. Entertainment is a discretionary spend and hence, the industry feels, recovery is going to be a slow process. "We would request the government to come up with an all-encompassing and comprehensive package, much like relief packages doled out by governments in Europe for sectors like tourism," says Kailash Gupta, CFO, INOX Leisure. Such a package, he adds, would also lend strength to the film industry, which is closely linked with a lot of other businesses. When it comes to gaming, one of the fastest-growing media and entertainment sectors is also one of the most unregulated ones. The industry says the sector also benefits from the growth of other sectors that are the focus of the government, including semiconductor, fintech, telecom and IoT. "Gaming has the potential to transform the way new India is learning... The sector eagerly awaits a progressive policy structure from the government as well as fair treatment from the GST Council. With proper support, the online gaming sector can give a big impetus to the government's drive to create a $1-trillion digital economy," says Bhavin Pandya, Co-founder & CEO, Games24x7. Overall, the entire media and entertainment industry awaits certain reforms, say experts. "We expect a reduction in licence fees for radio (recurring) as the industry has seen a big negative impact due to Covid-19, and some relaxation on licence fees and regulations on the DTH/cable TV industry [are needed] as this segment has started to see cord-cutting trends very selectively," says Karan Taurani, Senior Vice President, Elara Capital, adding that the industry needs some policies to speed up broadband penetration to drive digital consumption.

—PRERNA LIDHOO



PUT INFRA ON OUR PLATE

A battered hospitality sector has great expectations from Budget

▸ **OVER THE** past few months, the hospitality industry was slowly getting into recovery mode. But with the Omicron threat, hotels are again seeing cancellations. The hospitality industry, which contributes 9 per cent to the country's GDP and provides livelihood to nearly 160 million people, has great expectations from the Budget. One of its main demands is for the industry to be given infrastructure status. The Hotel Association of India has said that "providing hotels 'infrastructure' status will resolve a large number of issues being faced by hotels and hospitality companies. It will also help survive operationally and encourage investments in the sector. Access to softer funding, longer periods to repay loans, resultant shortening of the gestation period will make hotel investments more attractive and sustainable". The Federation of Hotel & Restaurant Associations of India (FHRAI) has requested the industry be allowed to carry forward business losses up from the existing 8 years to 12 years and avail the Service Exports from India Scheme/Export Promotion Capital Goods (SEIS/EPCG) benefits without any capping and rate reductions. The FHRAI has asked that special emphasis be given for promoting meetings and conferences at hotels in India in view of the pandemic losses. "We request the government to classify hospitality under the RBI infrastructure lending norm criteria for access to long-term funds to enhance quality accommodation supply... Currently hotels built with an investment of ₹200 crore or more have been accorded infrastructure status. This threshold has to be brought down to ₹10 crore per hotel to give a fillip to hotels in the budget segment," says Gurbaxish Singh Kohli, Vice President, FHRAI.

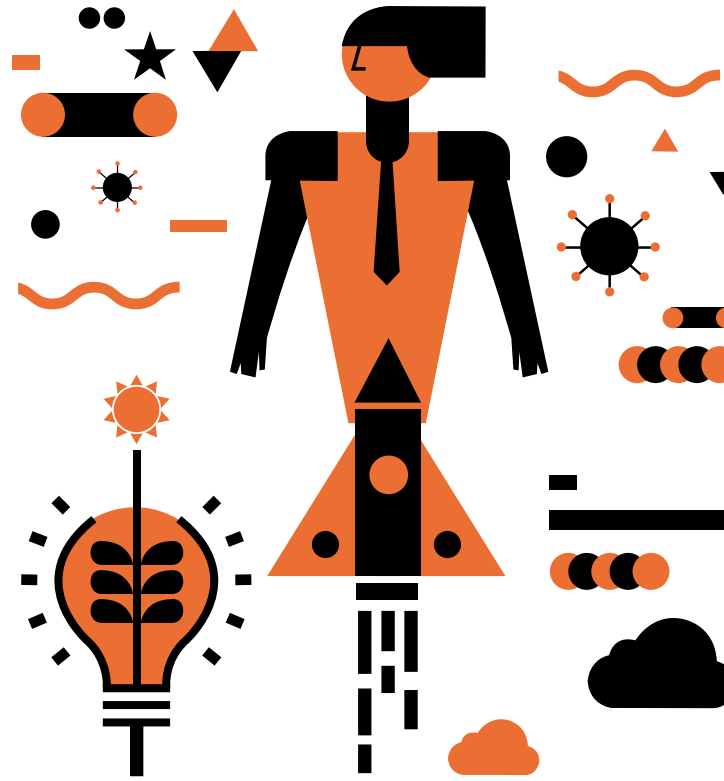
—SMITA TRIPATHI

CUT THOSE START-UP TAXES

The ecosystem expects some relief on that front

▸ **INDIA'S BURGEONING** start-up ecosystem expects key tax reforms in the Budget that can resolve some of its long-pending woes. The most pressing demands are for friendly tax structures around employee stock ownership plans (ESOPs), legitimacy to crypto assets, expansion of the HRA provisions and direct overseas listing permissions. IndiaTech, a lobby group for start-ups, says the finance ministry should bring taxation clarity around crypto assets by formally naming them in tax laws besides the method of taxation and their disclosures. The group says cryptocurrencies be classified as digital assets and not currencies. It expects the government to extend the applicability of the ESOP relaxation benefits beyond start-ups registered with the DPIIT or listed under 80-IAC and IMB to unlisted firms as well as unregistered start-ups with a turnover below a certain threshold. IndiaTech has suggested abolition of taxation at exercise and levy of only capital gains between the exercise price and sale price at the time of exit. It has also recommended that required amendments be made to Section 10 (13A) of the Income Tax Act and Rule 2A of the Income Tax Rules, which would benefit employees to avail a deduction for rented furnishings and household white goods. The group also wants reconsideration on the applicability of Section 194 (O) which mandates 1 per cent TDS levy on all e-commerce transactions. It has also sought clarifications on applicability of Section 206C (1G) (b), which mandates collection of 5 per cent tax at source with PAN and 10 per cent without PAN from the buyer of an overseas travel package from any online travel portal. Companies are also looking forward to favourable regulations on direct overseas listing of Indian start-ups.

—BINU PAUL

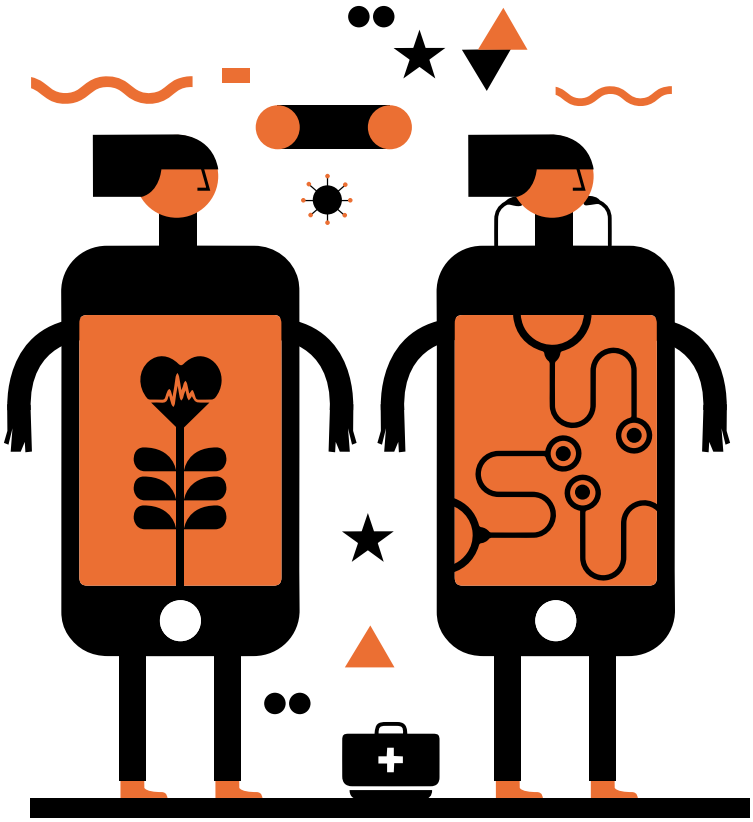


TREAT THE MALAISE

The healthcare sector says investments should be made in infrastructure beyond metro cities

▸ **INDIA IS** likely to invest in expansion of the health infrastructure beyond metro cities in the Budget. "In the aftermath of Covid-19, it is imperative to build infrastructural capabilities so that people can access quality and critical healthcare services. The pandemic has made us realise the need for equipping hospitals in Tier II and III towns with adequate infrastructure such as diagnosis centres, ventilators and oxygen plants through increased budget outlay and greater investments. This will also create employment opportunities," says Harsh Mahajan, Senior Vice President, NATHEALTH and Founder and Chief Radiologist, Mahajan Imaging. He adds that the need of the hour is to allocate funds and introduce medical education programmes that can address the shortage of skilled healthcare manpower in the country. The sector has not been able to derive the benefits of GST transition. In fact, the embedded taxes in the sector have increased in the post-GST regime compared to pre-GST scenario. Therefore, it is imperative to rationalise GST to unlock embedded credit trapped in the healthcare value chain, NATHEALTH says in its recommendations. "Reintroducing tax holidays for rural hospitals with a flexibility to select beneficial years and viability gap funding by the government for setting up hospitals in Tier I and Tier II cities would make this area an attractive space for investment and strengthen the healthcare infrastructure. A weighted deduction of expenses incurred on skill development in the healthcare sector would facilitate the government to achieve its aims of WHO recommended doctor patient ratio of 1:1,000 by 2024," says Charu Sehgal, Life Sciences and Healthcare Leader, Deloitte India.

—NEETU CHANDRA SHARMA



BRING IN THE SCISSORS

Individual taxpayers pray for some relief in the Budget

▸ **THE BUDGET** wish list for taxpayers has not changed much in the past few years. The revision of tax slab rates and increase in tax exemption limits remain one of the most popular demands. "The much awaited expectation by the salaried class is the increase in the limit of standard deduction from ₹50,000 to ₹1 lakh to bring parity with individuals earning professional income who are entitled to claim various expenses such as rent, utilities, travel and communication, etc.," says Akhil Chandna, Partner at Grant Thornton Bharat. Experts say there has been a need to align individual tax rates with the corporate tax rate. "It is advisable to reduce the highest tax rate of 30 per cent to 25 per cent and also increase the threshold limit for the highest tax rate from ₹10 lakh to ₹20 lakh. Therefore, the proposed highest slab rate (including surcharge and cess) can be reduced to 35.62 per cent from 42.74 per cent," says Deloitte India' *Budget Expectations 2022* report. On the medical costs front, currently Section 80D of the Income Tax Act allows deduction of up to ₹50,000 from gross total income in respect of any expenditure incurred on the medical treatment of a senior citizen provided he is not covered under health insurance. "It is recommended that the scope of Section 80D should be expanded to every person (irrespective of age) to allow a deduction for expenditure incurred on medical treatment of Covid-19 for himself or a family member," says a pre-Budget report from Taxmann, a tax consultant. "Further, an increase in deduction for medical insurance premium to incentivise wider coverage for medical insurance and increase in the overall deduction for specified investments under Section 80C would go a long way in boosting disposable income for individual taxpayers," says Chandna.

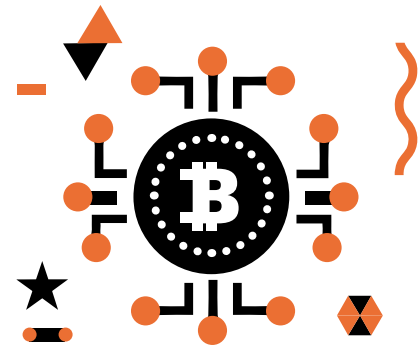
—TEENA JAIN KAUSHAL

GROW EXTERNAL TRADE

Exporters say the Budget should have measures to boost their business

▸ **COMMERCE MINISTER** Piyush Goyal has set an ambitious target of $1 trillion for both merchandise and services exports by 2030. While Goyal has thrown light on the feasibility of achieving this target on various platforms, what exporters will look for in this year's Budget are some announcements that can help boost exports and trade. In order to give a fresh impetus to Make in India, Pradeep Multani, President, PHDCCI says, "As raw material prices have increased significantly during the last one year, we suggest that on raw materials for manufacturers, the applicable basic customs duty needs to be reduced by 50 per cent." This would also make domestic manufacturers more cost-competitive, he adds. According to Rumki Majumdar, Associate Director and Economist with Deloitte Shared Services India, the government should emphasise on cross-border trade and investments. "With several FTAs queued up in the near term, the focus must be on short-term as well as long-term measures to boost exports from and encourage FDI in sectors where India has a competitive advantage. Competitiveness will require efficient import and export regulations, and the government must address issues that hinder trade growth," she says. In order to boost trade and exports, Ajay Sahai, Director General and CEO, Federation of Indian Export Organisations, suggests that the government should announce some measures to support MSMEs in doing overseas marketing. "Many countries are providing tax deduction for overseas marketing... the government should look into supporting MSMEs," he says, adding that it should also address the shortage of containers by encouraging container manufacturing in the country. Sahai adds that an Indian shipping line of global standards should also be developed.

—RAJAT MISHRA



DESIGN CRYPTO TAXATION

Experts suggest multiple ways to tax cryptocurrencies

▸ **INDIA'S CRYPTOCURRENCY** market is expected to touch $241 million by 2030, says a recent research report. Though the crypto market has been witnessing sharp growth, tax experts are confused about their taxation in the absence of any specific provisions. There are several issues when it comes to virtual tokens, ranging from method of computing the fair market value, costs, taxable income, and reporting requirements. "It is recommended that a specialised regime for taxation of cryptocurrency be introduced covering, inter alia, provisions dealing with classification of cryptocurrencies (capital asset vs. financial instrument vs. commodity), situations in which cryptocurrencies are taxable in India, head of income for taxation, expenses that can be claimed, income tax rate, and reporting requirements," says Deloitte India's *Budget Expectations 2022* report. Some suggest that crypto be taxed the way winnings from lotteries are, given the speculative nature of transactions. Taxmann's report on Budget expectations states, "Similar to winnings from lotteries... a higher tax rate of 30 per cent should be levied on the income arising from the sale of cryptocurrency. Both sale and purchase of cryptocurrencies above the threshold limit should be brought within the ambit of TDS/TCS provisions." Tax experts classify crypto gains either as capital gains or income from other sources. "When one sells crypto held as investment, the gains are to be reported as 'income from capital gains'. If one held crypto for lesser than 36 months, then the gains/losses will be short term and in case it is held for more than 36 months, then the gains/losses shall be long-term," says Sujit Bangar, Founder, TaxBuddy.com.

—TEENA JAIN KAUSHAL

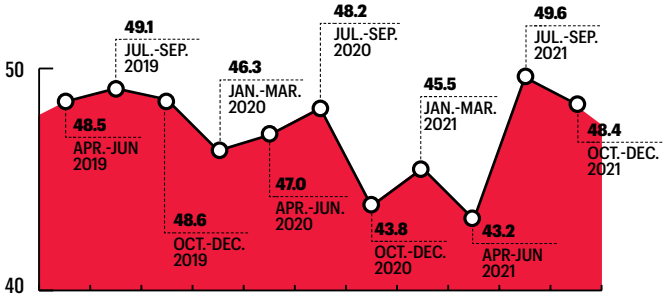
OMICRON PUSHES DOWN THE BUSINESS CONFIDENCE INDEX AGAIN IN Q3 OF FY22, BELYING THE EXPECTATIONS OF THE PREVIOUS QUARTER. WITH INFECTIONS—AND RESTRICTIONS ON MOBILITY AND BUSINESSES—RISING BY THE DAY, THE PROGNOSIS FOR THE NEXT QUARTER ISN'T TOO BRIGHT

Viral STATISTICS

BY **ALOKESH BHATTACHARYYA**

DOWN AGAIN

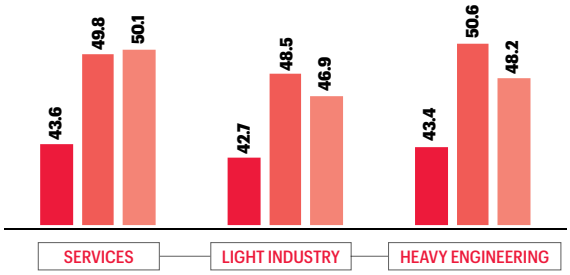
BCI dips sharply in Q3 after a 10-quarter high in Q2



Source: *BT-C Fore Business Confidence Survey*

SERVICES SURPRISE

While heavy and light industries dipped in confidence, services rose on the back of Q3 performance



■ APR.-JUN. 2021 ■ JUL.-SEP. 2021 ■ OCT.-DEC. 2021

On a scale of 100

Source: *BT-C Fore Business Confidence Survey*

DIPPING ALL OVER

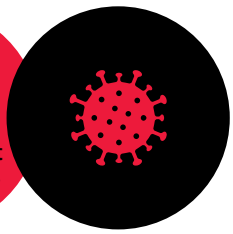
Businesses across sizes saw confidence falling in Q3

■ APR.-JUN. 2021 ■ JUL.-SEP. 2021 ■ OCT.-DEC. 2021

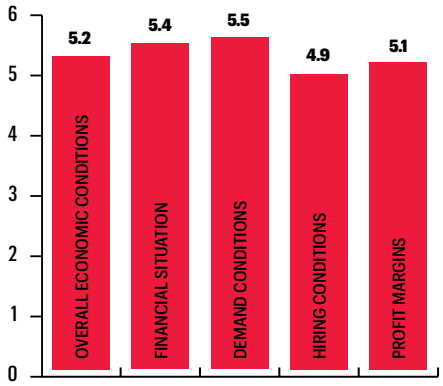
On a scale of 100; Big business = turnover > ₹500 crore; Mid-sized = turnover ₹100-500 crore; Small = turnover < ₹100 crore; Micro = turnover < ₹5 crore

Source: *BT-C Fore Business Confidence Survey*

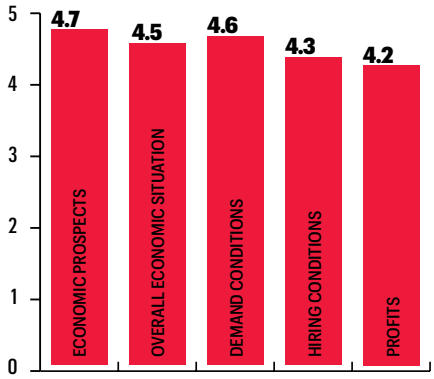
66% of those surveyed expect Omicron to hit their business hard



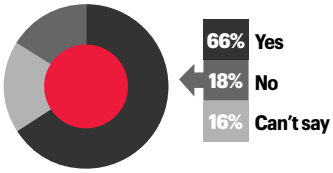
STILL, Q3 WAS GENERALLY OKAY, ESPECIALLY IN TERMS OF FINANCIAL SITUATION AND DEMAND CONDITIONS...



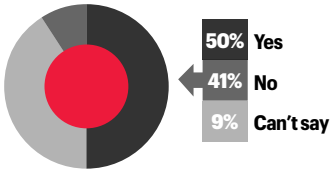
...BUT Q4, WITH OMICRON LIKELY AT ITS PEAK, IS NOT EXPECTED TO BE GOOD, ESPECIALLY FOR COMPANIES' PROFITABILITY



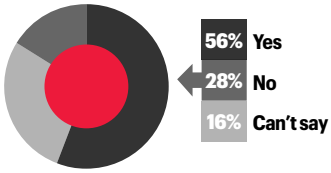
WHAT THE NEXT QUARTER HOLDS



Do you expect the Omicron variant of the coronavirus to negatively affect your business outlook for the fourth quarter?



Do you see the depreciating rupee impacting your business growth outlook negatively in the coming months?



Do you expect any reduction in corporate tax in the upcoming Union Budget?

Source: *The BT-C Fore Business Confidence Survey conducted between December 21, 2021 and January 5, 2022, of 500 CEOs or CFOs representing various industries and company sizes across Delhi, Mumbai, Chennai, Hyderabad, Bengaluru, Kolkata, Chandigarh, Lucknow, Nagpur, Kochi, Visakhapatnam and Bhubaneswar*

GRAPHICS BY **RAHUL SHARMA**

AFTER THE CREST, the trough. In the July-September quarter of 2021-22, *Business Today*'s Business Confidence Index (BCI) had hit a 10-quarter high of 49.6. Come Omicron, and the sentiment reversed, sending the BCI into a deep dive to 48.4 at the end of the October-December quarter. It is pertinent to note here that the BCI is a combined sentiment of the performance of the quarter gone by and the expectations of the coming one. So, while Q3 performance was hailed by respondents of the BT-C Fore BCI survey, they gave a clear thumbs down to Q4 business possibilities across all parameters, thus pulling overall BCI down. "The glimmer of an upside that was emerging after the festive season (October onwards) got washed out by the emergence of Omicron," says Aditi Nayar, Chief Economist, ICRA Ltd.

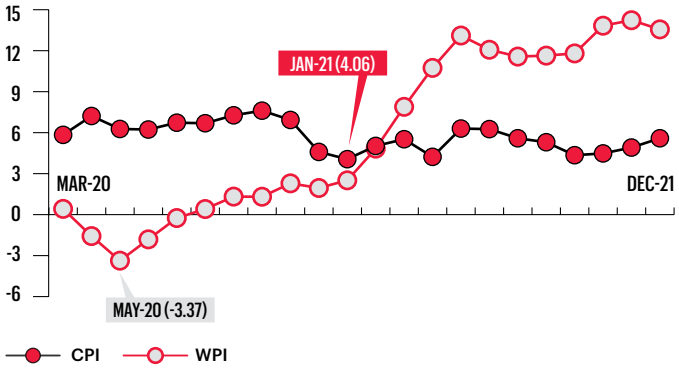
The BCI survey respondents seemed satisfied with how Q3 played out for them, giving ratings above five (which is considered good) in four parameters—overall economic conditions, financial situation of the companies, demand conditions, and profit margins—with only hiring conditions at 4.9 (all on a scale of 10). However, by the time the survey ended on January 5, Omicron was in full flow, followed by the now-familiar restrictions on mobility and business. The predictions for Q4 (January-March) are, therefore, rather morose, with every one of the five parameters scoring well below five (*see charts*). More than 66 per cent of the survey respondents said they expect Omicron to negatively impact their businesses in Q4.

And so, putting the data for Q3 and Q4 together presents a ground image that is mostly uncertain, with BCI falling across all sizes of business, and also across heavy engineering and light industry segments. The only exception is services, whose BCI value grew to 50.1, mostly driven by the positivity in the sector in Q3. "The hospitality industry saw 70-80 per cent growth in Q2 over Q1, and Q3 built on this with about 40-50 per cent growth, driven by leisure and business travel coming back," says Sanjay Sethi, MD & CEO, Chalet Hotels, adding that MICE, weddings and staycations also contributed strongly. The industry expected a better Q4 than Q3, which is typical, but Omicron has put paid to that.

DESPITE THE OMICRON SURGE, there is a sense of hope in the air. "Restrictions have started, but they are still mild. Compared to the previous wave, hospitalisations are lower as of now. We need to track this metric to understand how much restrictions will need to intensify, and the impact this might have on economic activity," says Nayar of ICRA. The provisional GDP figures released by the National Statistical Office projects India's GDP growth for 2021-22 at 9.2 per cent. That's high growth over the (minus) 7.3 per cent in 2020-21 and, in fact, anything above 8.9 per cent would be the highest annual GDP growth since economic reforms began in 1991. Even Nayar is optimistic. ICRA had predicted 9 per cent GDP growth for FY22 before Omicron, which it has only marginally shaved. "Right now we foresee an 8.9-9 per cent expansion for FY22," she says.

The underlying factors are giving mixed signals. While inflation—both wholesale as well as consumer—

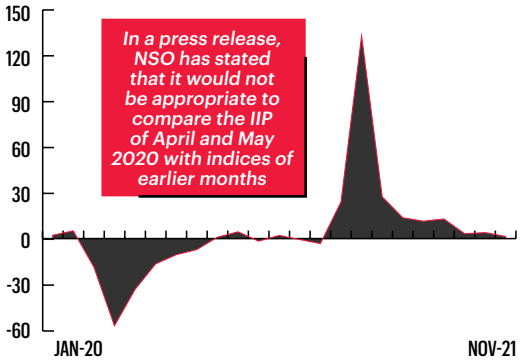
WHOLESALE AND RETAIL INFLATION HAVE RISEN IN RECENT MONTHS



Figures in per cent

Source: *CMIE*

IIP HAS BEEN SLIPPING SINCE APRIL-MAY 2021



Figures are Y-o-Y change in IIP values in per cent

Source: *CMIE*

has been rising in recent months, industrial productivity has been falling, with the Index of Industrial Production (IIP) slipping since April-May. At the same time, exports—another barometer of economic activity—have taken off big-time. December 2021 has seen exports of $37.3 billion, which is the highest ever "in the history of India", as Khalid Khan, Vice President of exporters' association Federation of Indian Export Organisations, says happily. Not to forget that Q2 and Q3 garnered more than $100 billion each in exports, also a first. This growth came in difficult times, says Khan: "Everything was negative. Freight rates had gone up. Raw material prices were going up. But suddenly, the order books of our exporters are looking very healthy. In particular, engineering and handicrafts industries have done well." But Nayar is quick to point out: "More importantly, domestic demand is rising, and so imports are surging. If this continues, the current account deficit is going to widen in the second half this year." At $165.7 billion, imports, too, have been at an all-time high in Q3.

There is growing consensus that there needs to be greater focus on capital investments in the Union Budget

What of Q4? There are hopes of a quick recovery. "While the [third] wave is here and it is escalating sharply, our limited [medical] understanding suggests a spike followed by a steep fall. So, the disruption could be limited to one quarter," says Nayar. Sethi of Chalet Hotels goes a step further. "This wave seems to be moving at fast-forward pace, which means we expect it to peak very quickly and then come down," he says. "Post wave one and more so wave two, the pent-up demand activation that we saw was more than our expectations. I think the industry should get a very strong ramp-up in the second half of this quarter itself, post mid-February, which should make up some of the losses of January, subject to no other waves coming in."

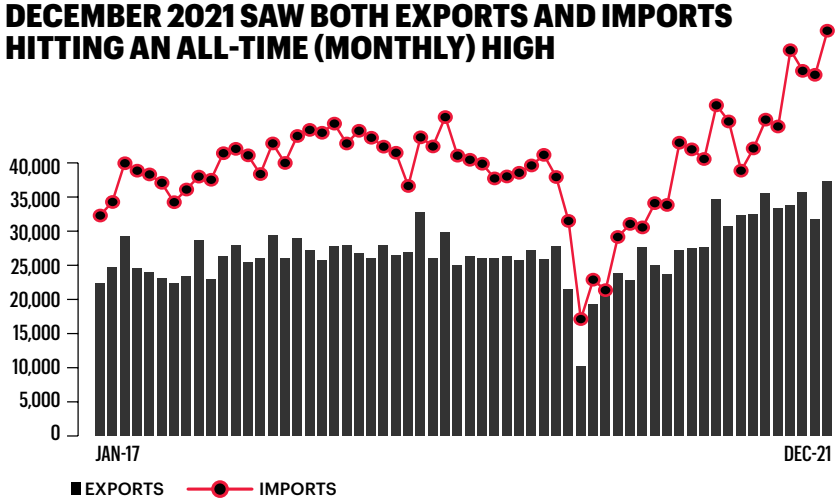
The Union Budget for FY23 is now what everyone's looking at to keep the growth momentum going. Some respondents of the BCI survey gave suggestions for the Budget. M. Amjat Shariff, Joint Managing Director of Shriram EPC, says the Budget should focus on infrastructure and renewable energy. Jayant Paleti, Co-founder, Darwinbox, says: "[The] Indian tech/internet sector is well placed to generate employment in the country in the near future and boosting this growth trend with the right investment and sops can set the sector up to lead in the global markets."

There is growing consensus that there needs to be greater focus on capital investments. "This should be the right time to continue the government's investment orientation through capex and focus on sectors that act as an engine for additional job creation and demand generation," says Satyakki Bhattacharjee, Managing Partner, GrowthSqapes Consulting, pointing to infrastructure, aviation & hospitality, e-commerce, healthcare and manufacturing as the focus sectors. Nayar says the government should build into the Budget the amount it can realistically provide for capex, and that it should plan for a normal year.

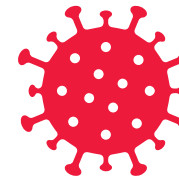
A normal year. We like the sound of that. BT

@alokeshb

DECEMBER 2021 SAW BOTH EXPORTS AND IMPORTS HITTING AN ALL-TIME (MONTHLY) HIGH



Figures in $ million **Source:** *CMIE*



9.2%

GDP growth in FY22 as per provisional figures by the National Statistical Office

RISING DEMAND

The very mutant nature of the virus makes it a big opportunity for Indian pharma companies

1. Omicron has triggered third wave, new vaccines for mutant variants need of the hour
2. Infections among vaccinated, previously infected rising, demand for boosters high
3. Several million vaccines needed for teenagers (15-18 years)
4. Child vaccinations long awaited, need for Covid-19 vaccine for kids younger than 12

5

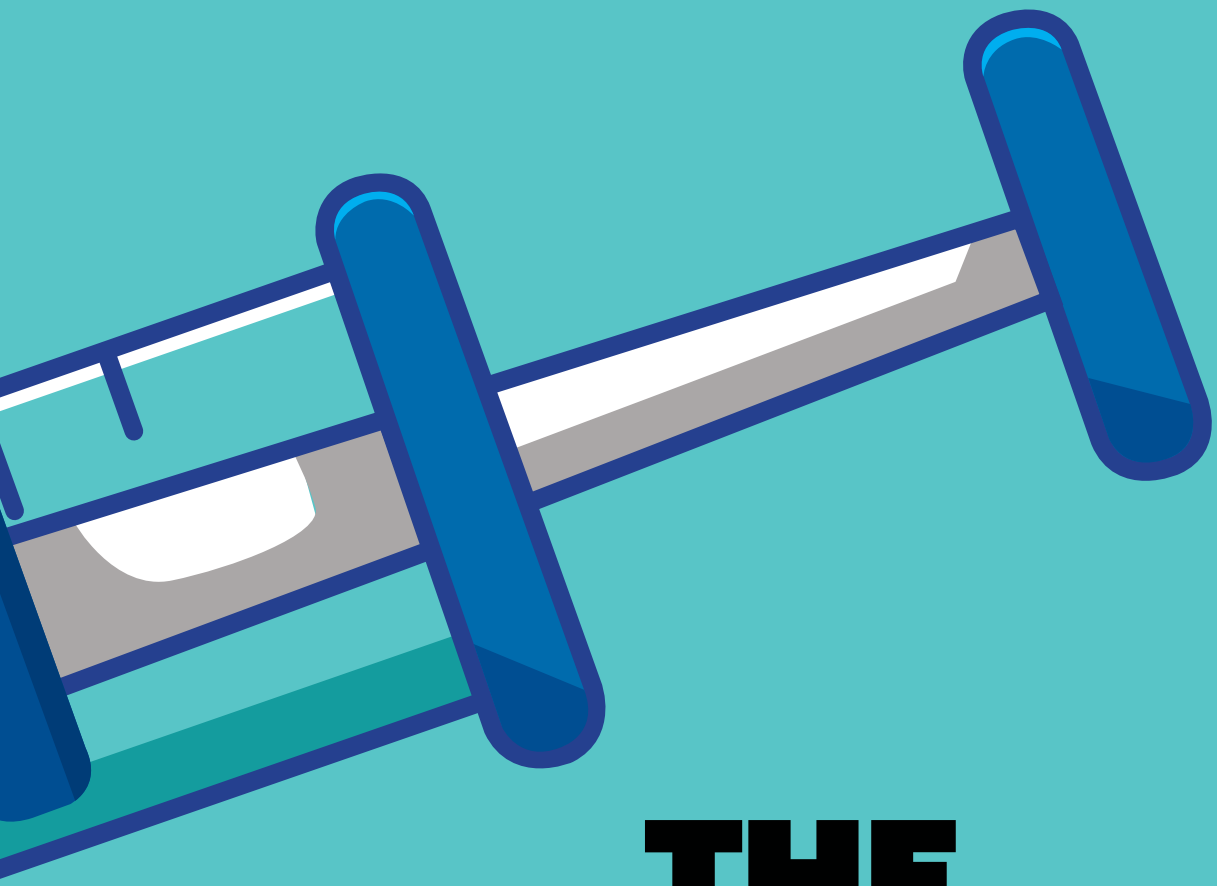
Surplus availability of Sputnik V and Covishield, companies to target unvaccinated population

6

Once domestic demand is satisfied, companies to look at exports in uncovered countries

7

Molnupiravir is a lucrative business opportunity for drug makers; used for the treatment of mild to moderate Covid-19

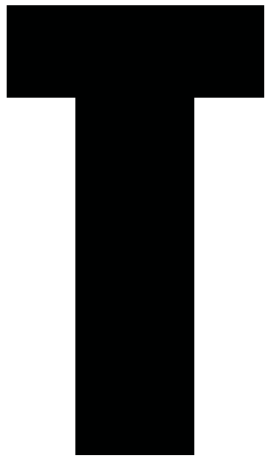


THE THIRD WAVE

IT'S HERE. THE HIGHLY INFECTIOUS OMICRON VARIANT OF THE CORONAVIRUS IS UPON US. THERE IS A NEED FOR NEW VACCINES AND THERAPEUTICS TO HALT THE SURGE, WHICH THROWS UP A NEW BUSINESS OPPORTUNITY FOR THE INDIAN PHARMA INDUSTRY. WHAT IS PLANNED?

BY **NEETU CHANDRA SHARMA**

ILLUSTRATION BY **ANIRBAN GHOSH**



THE COVID-19 PANDEMIC is not dying down anytime soon. That much is clear from the electric pace of spread of the Omicron variant of the SARS CoV2 virus. Aside from the tragedy of it all, this has also thrown open an opportunity for revenue growth for the Indian pharma industry. According to an analysis by Motilal Oswal, the share of Covid-19-related therapies stood at 44 per cent of the total Indian pharma market's sales at the peak of the second wave in April-May 2021. That's a lot of money, considering the size of the Indian pharma market was $42 billion (more than ₹3 lakh crore) in 2021, according to India's Economic Survey 2021.

In the current crisis, growth will be driven by new vaccines and therapeutics to treat the highly infectious Omicron variant. Manufacturers of the three major vaccines under the national Covid-19 immunisation programme—Covishield (from Serum Institute of India), Covaxin (Bharat Biotech) and Sputnik V (Dr. Reddy's Laboratories)—have already announced they are working on vaccines to beat the mutant variants of SARS CoV2, including Omicron. Other vaccine makers such as Novavax and Dynavax are pushing their vaccines as booster doses in India in collaboration with Indian companies. And Cadila Healthcare's vaccine ZyCov-D has been approved for inoculating children (12-18 years) along with Covaxin (15-18 years).

Bharat Biotech recently announced results from a study conducted at Emory University, US, demonstrating that a booster dose of Covaxin six months after getting a primary two-dose series of the vaccine neutralises the Omicron and Delta variants. The study, however, is yet to be peer reviewed. "We are in a continuous state of innovation and product development for Covaxin," says Krishna Ella, Chairman and MD of the Hyderabad-based company. At the CII Partnership Summit last December, Adar Poonawalla, CEO of Serum Institute of India (SII), said: "SII is working towards developing a vaccine booster shot which is more effective. On the back of enough data, it is safe to say that booster vaccines are a proven strategy to get antibodies up to a great extent."

Dr. Reddy's is conducting clinical trials for Sputnik Light, which is promoted as a booster shot. The company is competing with vaccines that the government is administering for free—Covaxin and Covishield. Plus, Sputnik's launch in India was also delayed by around five months because of production scale-up issues in Russia. As a result, only nearly 1.2 million doses of Sputnik V have been administered so far in India, compared to 205 million+ Covaxin doses and 1.34 billion+ doses of Covishield. "While the delay in commercial manufacturing had impacted offtake of Sputnik V during the previous two Covid-19 waves, the scale-up needs to be seen in the ongoing third wave in India," says Tushar Manudhane, Research Analyst at Motilal Oswal Financial Services. "Notably, the export opportunities of Sputnik V vaccine also seems boosted with global rise in Covid-19 cases."

With over 60 per cent of India's adult population fully vaccinated and vaccines available in surplus, the government's announcement of inoculation of booster doses to specific categories of beneficiaries—healthcare workers, frontline workers, all persons aged 60 and above with comorbidities who have received two doses—opened up the door for more vaccinations than was earlier anticipated. For the moment, though, the government has allowed only the same vaccine that an individual has been vaccinated by, as a booster dose. That means a clear path of action for Bharat Biotech, SII and Dr. Reddy's.

Vaccine manufacturers' next target for sales is the unvaccinated population and children. Cadila Healthcare's ZyCov-D was the first vaccine to be approved for children aged 12-18 by the Drugs Controller General of India (DCGI). Sharvil Patel, Managing Director, Zydus Group, says the company is growing well, but is more focussed on providing support to people through its therapeutics, diagnostics and vaccines. "Our teams have been scaling up production to supply critical medicines," says Patel. "Our researchers are working since the start of the pandemic first on delivering the vaccine to prevent the disease and now on ZRC3308 Covimabs, the monoclonal antibody to treat Covid-19." Bharat Biotech also claimed success in clinical trials for children aged 2-18 years. "Our goal of developing a global vaccine against Covid-19 has been achieved with the use of Covaxin as a universal vaccine for adults and children," says Ella.

$65 BILLION

ESTIMATED SIZE OF INDIA'S DOMESTIC PHARMACEUTICAL MARKET BY 2024

THEN AND NOW: OMICRON TREATMENT OPTIONS

The evolving nature of the virus has also kept the treatment options in a fluid state

WHAT'S IN

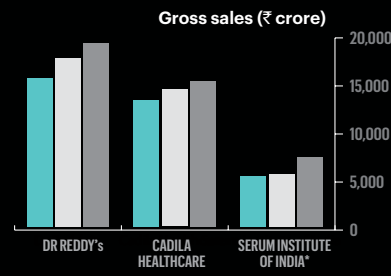
- Molnupiravir—recently approved anti-viral drug for treatment of adult patients with Covid-19, with Sp02 >93 per cent, and who have high risk of progression of the disease including hospitalisation or death
- As per World Health Organization (WHO), Corticosteroids and IL6 Receptor Blockers are recommended for moderate and severe Covid-19 cases
- Paxlovid, consisting of Nirmatrelvir, an antiviral medication developed by Pfizer, is yet to be available in India

WHAT'S OUT

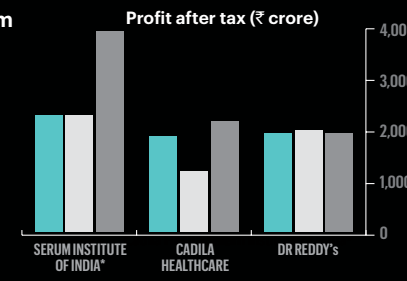
- Drugs like hydroxychloroquine, ivermectin, favipiravir and remdesivir were widely used for Covid-19 treatment in previous waves driven by Delta
- Therapies such as convalescent plasma and monoclonal antibody therapies were also commonly used
- The Indian Council of Medical Research (ICMR) Covid-19 National Task Force and the Union health ministry in 2021 dropped the above owing to lack of concrete scientific evidence

IMPROVING FINANCIALS

Dr. Reddy's has the highest revenues amongst India's vaccine makers...



...but Serum Institute is the most profitable



***Standalone;**
Data source: *ACE Equity, ProwessIQ*

VACCINES APPROVED IN INDIA...

1. Covaxin
2. Covishield
3. Sputnik V
4. ZyCoV-D
5. Corbevax
6. Covovax

...AND IN THE PIPELINE

1. Nasal vaccine by Bharat Biotech
2. HGCO19, by Pune-based Genova in collaboration with Seattle-based HDT Biotech Corporation

Pharma analysts such as Charu Sehgal, Life Sciences and Healthcare Leader, Deloitte India, believe the industry will see good growth, especially companies with a Covid-19 portfolio. "Not only will we see demand for new vaccines and drugs relevant to the Omicron virus, but there will also be a push to ensure complete vaccine coverage of the population," she says.

THE NEW ENTRANTS in India's basket of Covid-19 vaccines—Covovax and Corbevax—have also been pitched as booster shots. Covovax, a protein sub-unit Covid-19 vaccine developed by Novavax Inc., is to be manufactured and marketed in India by SII. Corbevax, another protein sub-unit vaccine developed by Texas Children's Hospital and Dynavax Technologies, is licensed to Hyderabad-based Biological E., which plans to produce more than 100 million doses per month from February 2022. These capacities will enable the Hyderabad-based company to deliver 300 million doses by the end of this year as promised to the government.

Reliance Life Sciences' candidate

is in Phase I clinical trials. "The vaccine has a unique construct, which is expected to be effective against a range of Covid-19 virus variants, going by data from extensive in-vitro and animal studies. Human clinical trials would have to reaffirm the safety and efficacy," says K.V. Subramaniam, President, Reliance Life Sciences.

Bharat Biotech says it is working on three Covid-19 vaccines across different technology platforms, including an intranasal vaccine that will prevent transmission. The company is also expanding manufacturing capacity across multiple facilities in Hyderabad, Ankleshwar and Bengaluru. "Currently, we are delivering 55-60 million doses each month, which will touch 70-80 million soon by February-March 2022... we are well on target to accomplish our 1 billion annualised target for Covaxin production," a company spokesperson told *BT*.

"SII is working towards developing a vaccine booster shot which is more effective. On the back of enough data, it is safe to say that booster vaccines are a proven strategy to get antibodies up"

ADAR POONAWALLA
CEO, SERUM INSTITUTE OF INDIA (at an event)

"Our goal of developing a global vaccine against Covid-19 has been achieved with the use of Covaxin as a universal vaccine for adults and children"

KRISHNA ELLA
CHAIRMAN AND MD, BHARAT BIOTECH

THERE ARE OTHER drugs, too, that mitigate the impact of infection. Many Indian pharma companies are looking at the antiviral molnupiravir as a revenue option. Molnupiravir, developed by Merck and Ridgeback Biotherapeutics, is the first oral antiviral drug for the treatment of high-risk adults with mild to moderate Covid-19. The DCGI granted emergency use authorisation to several pharma companies in India to manufacture and market generic versions of molnupiravir, including Dr. Reddy's, Torrent Pharmaceuticals, Cipla, Sun Pharma, Natco Pharma, Viatris, Hetero Drugs, and Mankind Pharma.

A report released by Fitch Solutions says this will make India the largest global hub for Covid-19 antiviral generic drug production. Generic molnupiravir will increase access to the medicine. Being in oral form, it would also simplify current supply chain obstacles compared to Covid-19 intravenous antivirals such as Ronapreve (casirivimab/imdevimab) or Veklury (remdesivir). "Having a solid, compact form, oral drugs do not need containment requirement of glass vials, and the tablets can be tightly packed without risk of breakage. Similarly, a larger quantity of the drug can be contained within a set space, increasing the rate at which the drug can be distributed," the report says.

The bigger benefit is cost reduction. A five-day treatment course with molnupiravir in the US costs around $712. Generic versions of the drug cost significantly lower—between $18.79 and $21.48 for a five-day course. For instance, Dr. Reddy's has set the price of its molnupiravir generic version, Molflu, at $0.4693 per capsule and $18.79 for a five-day course of 40 capsules.

There are drugs beyond molnupiravir, too, that are being developed by Indian companies. A Sun Pharma spokesperson says the company is providing patients access to multiple treatment options for dealing with Covid-19, including molnupiravir, favipiravir, remdesivir, itolizumab, liposomal amphotericin b, and hydroxychloroquine. With the Omicron wave taking root, Kirti Ganorkar, CEO-India Business, Sun Pharma, feels there will be opportunities for companies to expand their Covid-19 portfolio as new antivirals and vaccine booster doses will be in demand. "In line with our consistent efforts to accelerate access to new drugs for Covid-19 treatment, our endeavour will be to make new therapies available at an economical price," says Ganorkar.

Dr. Reddy's, too, produces several Covid-19 drugs—remdesivir, Avigan (favipiravir) and 2-deoxy-D-glucose (2-DG)—apart from the Sputnik V vaccine. The firm has commercialised all these products in India and some in overseas markets, too. Glenmark's monthly sales of Covid-19 products grew four times during the second wave of the pandemic due to its flagship Covid brand FabiFlu, according to pharma analysts. "Glenmark was the first pharma company to launch favipiravir (brand name FabiFlu) in India, for the treatment of mild to moderate Covid-19 cases. Since its launch, FabiFlu has benefitted more than 5 million patients and their families during the first and second waves of the pandemic, and continues to help Covid-19 patients during the ongoing third wave," a company spokesperson at Glenmark told *BT*.

Clearly, the Omicron threat throws open the opportunity for pharma companies to generate revenues. India's pharma market is expected to reach $65 billion by 2024. How much of that will be from Covid-19-related therapies depends on the Mutants of Corona. **BT**

@neetu_csharma

Business Today

An IMPACT Presentation

ICONS OF LEADERSHIP

DR. PRADEEP CHOWBEY

DR. GANGADHAR M. WARKE

ABHIJIT PATI

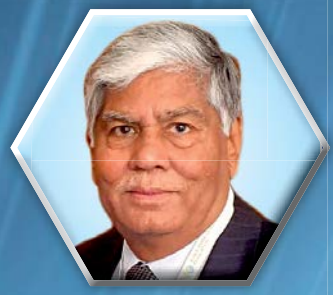
MASTER ARYEN KUTE

DR. NAGMA ABBASI

DR. PRAMOD KUMAR

DR. LATHA POONAMALLEE

VIKAS PATIL



DR. VIJAY KALANTRI

M. S. THEIVENDRAN

CHANDNI KAPADIA

MANODH MOHAN

NARENDRA GOYAL

DEEPIKA CHALASANI

Dr. Chowbey's enduring legacy: Surgical Excellence with Compassion

Hardly do people outside the medical fraternity ever get to know something as momentous as this. With more than 90,000 major laparoscopic surgeries already to his & his team's credit in the past 20+ years and now with over 100 NEXT GENERATION ROBOTIC surgeries with the Versius Robotic System in just 10 weeks, the surgical fraternity has witnessed & continues to witness the Indian surgeon's astonishing feats.

Leading the charge is Padma Shri Dr. Pradeep Chowbey, currently Chairman of Max Institute of Laparoscopic, Endoscopic & Bariatric Surgery at Max Hospital Saket, Delhi. A visionary who already has the credit of bringing Laparoscopic Surgery to India has now taken a giant leap in pioneering the Next-Generation Robotic Surgery. We share excerpts of a conversation that we had with him.

You come from a very humble background. Why did you aspire to become a surgeon?

My father was my inspiration. Coming from a small place near Jabalpur, he travelled all the way to then Madras to do his medicine. Back home, he rose to be a Civil surgeon. The respect and recognition that he got, from every walk of society was the major impetus for me to seek a career in medicine in particular surgery.

You had identified Minimum Invasive Surgery as the future and rose to be the best in it. You are now recognized as one of the world's leading Laparoscopic Surgeon. What drives you to become the Numero Uno in your field?

I have a curious mind. Whenever I see something new or something that I was unaware of, I like to know more. When I came to know about few surgeons in the US putting a telescope into the abdomen and operating, I felt it would be challenging and wanted to know more about it. My first step always starts with the curiosity to know more about it.

I love the learning process and I always like to do it as it should be done. For me, there are no shortcuts. When you try to do a thing in a systematic, step wise, protocol led manner, the learning does consume more time. But it then helps define the most effective and best way to accomplish the task. This is what attracts me. I end up establishing how it is to be exactly done by laying down the standard operating protocols and building a multidisciplinary team. Amusingly, when I reach that point, I feel I can better it. That is the momentum that keeps me going.

Whatever field you select, you have risen to the role of a leader and a trailblazing teacher. How do you define yourself? Are you just a curious doctor or a researcher?

I would say that I am a practical clinical researcher. My domain is in the clinical and applied Surgery. Curiosity and observation helps develop a strong clinical acumen. This includes clinical patient observation, other gross observations and investigations. When diagnostic tools like ultrasound had not arrived, it was the clinical acumen that helped us understand the patient's problem. We developed and sharpened our clinical senses. When the clinical senses are bolstered and complemented with modern investigations, it delivers a robust, reliable result. This is essential as we get all kinds of patients. They have different thresholds of pain and a mindset that goes with it. So what they describe as their problem can best be the starting point of my diagnosis. But in a short interaction with them, I need to determine the clinical level of the suffering and the subsequent treatment, medication, the extent of the surgery. That comes with experience and constantly interpreting and analyzing the cases.

Today you are a de facto member of boards/ panels that lay down the rules of Minimally Invasive Surgery, Bariatric treatment among others. You play a role in laying down the global standards. Forty years ago, when you began your career, did you expect to be at this apex position?

I did not even expect a fraction of this success. It has indeed been a remarkable journey of learning, personal development, caring and sharing. I was lucky to have been in the core group of surgeons to pioneer the laparoscopic/ minimal access surgery technique in India. I adopted minimal access surgery because it was a surgery of kind cuts. It was much less invasive and hence relatively painless. It was a kind surgery to patients and the body. It allowed the body and the patient to heal and recover fast with minimal blood loss and excellent cosmetic results due to small incision points. It complemented my goal as a surgeon.

Initially, when I started practicing laparoscopic surgery, there was a lot of resistance. I was looked upon as rather impractical to give up the long waiting list of conventional surgeries and settle down for a handful of laparoscopic surgeries every month. But we believed it to be the way of the future. We were very honest and transparent about the immediate impacts and the future prospects of the new technology. I established the first dedicated center for minimal access surgery in

Delhi and have worked with a laser focus to propagate the technique and its myriad benefits to the patients.
I suppose the leadership recognition came because we noticed and courageously adopted progressive techniques and built our competencies in it.

One of the factors behind your success is the exceptional team synergies that you have achieved. You all have been together for over 30 years? How did you manage it?
The secret of keeping the team together is to remain transparent. You need to be an absolutely open book and share everything with them. You need to share and delegate responsibilities to the other team menbers. You need to acknowledge that everyone is capable. You need to work with them along their learning curve to sharpen their skills. One needs to harp on their individual strengths and hone their skills to complement each other as team players.
The secret of having good people around you is to be good yourself. If your skills sets are unsurpassed, you can confidently lead the team from the front. Youngsters will naturally look up to you for guidance and motivation. You should be able to step in when they are challenged, to guide them through the situation and then step back for them to take over.
On a personal level, you should understand the other person's problem and handle it in a humane manner. You can certainly use personal meetings for constructive criticism. Do empathize with them. Do not punish a person for a mistake twice. These are few of the conscious efforts that I have made & continue to make in my journey.

Sitting at the cutting edge of medicine and technology can you share your vision for the future?
When we moved from open surgeries to laparoscopic surgeries, we moved from 3D to 2D. We lost out on one dimension. It was a handicap. But with the next-generation robot, Versius from CMR Surgical, Cambridge, UK, we are moving back to 3D with all the advantages of laparoscopy intact. We have a much better depth perception.
Versius is a 2nd Generation Robot that has been created for common as well as complex surgeries. We surgeons were restricted by wrist movements in laparoscopic surgery. With Versius system the instruments have very wide range of movement. It can go into small, narrow places where you are restricted by wrist movements. Suturing is now a pleasure. It gets so precise and accurate with ease thus enhancing the surgeon's skillsets.
Till now robotic surgeries were done for complex surgeries but Versius, we can operate complex as well as all common surgical conditions like gallbladder stones, hernia, weight loss/bariatric surgery, fundoplication and others.
One of the biggest advantages of this next-generation robot is that it has an open console thus giving the surgeon a direct vision of the patient and access to monitoring the patient at all times during the procedure. These robotic systems will improve in leaps and bounds and this is largely being made possible by the combined efforts of the surgeons who provide inputs based on their vast surgical experience to the R&D units of the surgical device companies. Ultimately, what we see is a win-win situation for both and on a broader level much better and effective clinical outcomes.

Healthcare is still a challenge for a huge country like India. Good Healthcare is still out of the reach of the lowest strata of society? Do you think, these advances will help healthcare reaching the masses?

Dr. Pradeep Chowbey with the Versius Robotic Surgical System

TEAMSPEAK – LEAST KNOWN THINGS ABOUT DR. CHOWBEY.

- Dr. Chowbey knows when not to operate. He might even send back a huge percentage of his patients where he sees no need for a surgery.
- He is now operating the fourth generation in families, that's the kind of trust and confidence he builds in the lives he touches.
- He is a visionary. He can see things in the future. He saw the role of laparoscopy long ago. He believes in the surgical capabilities of Versius for common surgical conditions.
- Dr. Chowbey has operated on His Holiness The Dalai Lama. He and his family have shared a very close association since then. Dr Chowbey believes in the Power of His blessings. The Dalai Lama remains his spiritual guiding force helping him to rise above the rest to alleviate the pain of the people.

I have always believed in the power of technology to empower clinicians. Laparoscopy has now become accessible to the masses. Technology always starts at high price point. But over a period of time, with greater adoption and mass manufacturing the prices become more affordable and services more accessible. A good example is that of mobile phones. What was once a status symbol is now with everyone. Similarly, I see 50% - 60% of all surgeries would be robotic in a decade. Young surgeons will be operating in a 3D environment. It will be easy for them to adopt. Imagine how the costs will be impacted, if you can perform various surgeries in shorter duration. The possibilities are endless, exciting and driving towards a more efficient healthcare system.

You are also a teacher. You have trained countless doctors in the fine art of Minimal Invasive Surgery and now in this next-generation Robotic Surgery. Do you see yourself as a Surgeon or a Teacher?
Learning has to continue, whatever age one may be. Teaching & Learning go hand in hand.
I think looking back, training and education has always been very close to my heart. I feel extremely humbled that thousands of surgeons from across the globe have come to our Center of Excellence for undergoing training in the minimally invasive surgery technique, I still feel equally passionate about teaching. I have always maintained that I would like to be remembered as a teacher rather than a magician. You should impart knowledge and skills to the next-generation. They should be better surgeons than what we are in the times to come. Ultimately, that's the whole purpose.

Dr. Pradeep Chowbey for You.
Dr. Pradeep Chowbey's credentials run into pages. He is a Padmashree Awardee who is a part of various national and international bodies that formulate the guidelines & SOPs of minimal access surgery globally. Apart from the various roles he plays, he is also the Chairman of Surgical & Allied Specialties, Max Healthcare. He has been the Honorary Surgeon to The President of India and Surgeon to His Holiness The Dalai Lama. He has been the President of the Asia Pacific Hernia Society, Asia Pacific Metabolic & Bariatric Surgery Society, Asia Pacific Chapter of International Federation for the Surgery of He has also been the Worldwide President of the International Federation for the Surgery of Obesity and Metabolic Disorders and a Board Member of the Gasless Laparoscopic & Endoscopic Surgeons Society. He is also an Advisor for the Asia Pacific Endosurgery Task Force. He has authored and edited many textbooks and has thousands of scientific publications to his credit. Other than when he is talking about surgery, you can see his eyes beaming when he is talking about his love for art. Married to a proclaimed artist, he and his family are passionate about art and collecting some of the finest masterpieces.

Dr. Gangadhar M. Warke
Founder & CMD, HiMEdia Laboratories

HiMedia: Reaching New Heights in Biosciences

When thoughts are noble and vision lofty, the outcome is always certain to be grand.

HiMedia Laboratories was established by Dr. Gangadhar M. Warke to curtail India's dependency on imported culture media products and make India self- sufficient in the field of Biosciences. Dr. G. M. Warke's journey began 1974 in the company of his wife, Mrs. Saroj Warke and younger brother, Mr. Vishnu M. Warke.

As multinational companies turned down his proposal for collaboration, Dr. Warke took up the challenge and started learning the technology himself. Procuring the manufacturing licence or the raw materials too was not easy.

A visionary, Dr. Gangadhar M. Warke pioneered the microbiology media manufacturing business in India. The principal motto was to provide quality products at affordable prices, which would help the Indian scientific fraternity with their research needs.Today, he leads a $120 million biosciences company offering products, solutions, and various equipment for healthcare and diagnostic industry worldwide.

His ability to convert research into commercialized products and his immense knowledge and command over microbiology recipes led to HiMedia's historic rise in the world of microbiology, making the company the numero uno in introducing high tech products in the global market.

Dr. Warke's relentless pursuit of excellence has ensured a high growth trajectory for the company. He has been instrumental in fostering innovations, providing indigenous technologies for industries, and contributing to the fields of Biosciences and Biotechnology, by developing over 7,500 Microbiology culture media and associated products, ever since HiMedia's inception.

Right from the first export order in 1978 to establishing offices and warehouses in the US and Germany, you will see Dr. Warke's stamp in HiMedia's diversification. He has spearheaded the company's evolution from a Microbiology media manufacturing company to a fully integrated Bioscience company with a balanced product portfolio within a mix of 7 SBUs.

Today, HiMedia is engaged in development, manufacture, and sale of majority of bioscience-based products worldwide with offices and warehouses in Europe and the USA. It is the first registered organisation of Indian origin, founded by an Indian scientist for the manufacturing of microbiology media based on in-house R&D technology.

Under his expert stewardship, HiMedia is all set to expand its portfolio with contributions to the pharmaceutical, healthcare, food & brewery industry.

Mr. Vishnu Warke, CoFounder and Director – Sales & Marketing, has been responsible for the sales, marketing and brand building. He has widened the customer network for HiMedia spreading it across 150+ countries. His impeccable instincts about understanding human psyche have played a major role in expanding the reach of HiMedia globally.

They say that there is a woman behind every successful man. Mrs. Saroj Warke, CoFounder & IT Director is that visionary who played a fundamental role in using Information Technology as the key in enabling HiMedia with high-end information security processes. Right from implementing SAP HANA, a leading ERP system to transformation of automation and robotic processes via machine learning and artificial intelligence, Mrs. Warke's insights have helped digitizing the microbiological research in HiMedia. The IT team at HiMedia, under Saroj Warke's guidance, played a major role in streamlining the process automation through machine learning, which helped the smooth transitioning of product manufacturing to sales in the thick of the COVID-19 pandemic.

Dr. Warke's insights, ambitions, and accomplishments, in many ways, compliment the stellar community of Indian scientists. He is indeed an iconic role model for students, young microbiologists, leaders and the community.

The HiMedia Reportaire

TheMicrobiology - The indigenous development of vegetable-based peptones and media under the brand name HiVeg has been a remarkable achievement. Today, HiMedia offers a range of over 1500 animal-free culture media under the umbrella brand of HiVeg and 20 vegetable hydrolysates.

Cell Biology - During the COVID- 19 pandemic, the biggest success for HiMedia was, becoming the largest supplier of the best quality VTM (Viral Transport Medium) sample collection kits for COVID-19 sampling. HiMedia alone has manufactured and sold almost 25 million VTM kits across the country during the calendar year 2020.

Molecular Biology - HiGenoMB® took on the mantle to develop an All- Inclusive Complete Solution for Molecular COVID-19 Diagnosis including ICMR and CDSCO approved Viral RNA Purification Kits, InstaNX® Mag Series of Automated DNA/RNA Extraction (Mag32 and Mag96), Pre-filled Plates for InstaNX® Mag series, COVID-19 Multiplex Probe RT PCR Kit InstaQ®96 Real Time PCR Machines.

Building a legacy with futuristic vision & enigma

Aluminum is the metal of the future. As India strides towards self-reliance in Aluminum, Abhijit Pati is driving BALCO to play a major role in this effort.

Abhijit Pati, CEO and Director, Bharat Aluminium Company Limited (BALCO), a group company of Vedanta Resources, has been lauded by various national and international bodies for his contribution to the aluminium manufacturing industry. In 2017, Abhijit Pati was named the Best CEO of the Year for his efforts to bring about the aluminium revolution in India as CEO of Vedanta Ltd., Jharsuguda. He was again named Best CEO of the Year in 2019 as CEO of BALCO. He has been recognized as the Most Promising Business Leaders of Asia '20–'21 by The Economic Times.

Pati is a strong advocate of innovation and technology in all spheres of operations at BALCO. Under his leadership, smart automations have been integrated in BALCO's plant operations to supply Primary Foundry alloys to many industry segments. The casting facility has metal treatment facilities of Degassing & Metal Filtration Unit & Vertical Chill Casting Technology for AlSi. The foundry has developed P1020 T-Ingots. Production of T4 Rods has also started since the last year.

The company has also installed end-to-end Digital Dashboards to collate real-time data and trend monitoring of power plant operations, digitalization the entire process. The digital dashboard plays a crucial role in providing access to historical data and digitized reports, reducing time and enabling quick decision-making and analysis without any manual intervention.

Pati's strong commitment towards making India Self-reliant is driving BALCO's aluminium production in areas like Hard Alloys for ISRO for defense purpose. BALCO seeks to play a vital role in nation's economy and in sectors of strategic importance like energy security, national defence, aerospace, automobile, infrastructure, electricity transmission & distribution, and other ancillary applications.

BALCO, the only aluminum industry in Chhattisgarh, has contributed significantly in empowering the state and has provided employment to 15000 people directly & indirectly. BALCO has created economic opportunities worth thousands of crores of rupees in the state.

Pati firmly believes that people are the biggest asset for any organization and according to him, "Organization should nurture the wisdom and not the result alone. To achieve sustainability in business, one needs to be human first before being a boss." Under his guidance, BALCO is creating a diverse and inclusive environment for women workforce. It has rolled out a drive to train, empower and offer higher roles to its female employees.

The company regularly organizes communication meets with Industry leaders and has one of its kind mentorship programs like V Lead for its women workforce for new insights and better grooming. It is a manifestation of his strong vision towards promoting Gender, Geographical, Cultural and Racial Diversity throughout the organisation. Under Pati's able leadership, BALCO is striving towards increasing diversity among all Executive and Management Committees providing equal opportunities to all.

Pati's vision of giving back to the society forms the core of BALCO's ESG strategy. During the COVID-19 pandemic, BALCO's community development programs focused on the health and safety of the resident communities around their plant. 1,50,000 individuals were benefitted by the extensive healthcare and development programs. It also runs an institute for skill development in Korba, benefiting over 9000 students in the area. This one-of-its-kind institute of skills provides vocational training to the rural youth and helps them become financially self-reliant.

Pati's strong commitment towards ESG has also led to increasing green cover in the region. BALCO is credited with planting over 41 lakh trees in the surrounding regions.

It has always been Abhijit Pati's dream to live a meaningful life. His advice to young entrepreneurs is: "Life is a journey of continuous learning and experiences that provide a meaningful window and fresh perspective towards the everyday life that we lead. It is crucial to not just exist but to live life in a way that is useful and meaningful and to serve a higher purpose of being the change that we want to see in the world."

OAO Info India: A Future Leader of Gaming and Web Development Solutions

What were you doing when you were 10 years old? Now, the one half was probably worrying about the math homework while munching on chips. The other half were probably working on a solution, solving an IT problem, or even running a business. An adage says, *"How one spends their formative years of lives has a huge impact on their future."*

It is humanly impossible for anyone to control a child's encounter or conversation during any unforeseen or undesirable, or a curiosity-driven circumstance. The other half of the 10-year olds we mentioned above understand that during such unforeseen circumstances one should develop the mindset and attitude to overcome that challenge or problem and the same was developed within **Aryen Suresh Kute**. He understood that while facing an unpredictable problem, the solution does not lie in avoiding the adversity but instead in withstanding it.

This child prodigy, with his keen interest in gaming and various other technologies since childhood, paved a path in starting his Gaming and Software – Web Development Services & Solutions Company, **OAO Info India** when he was just 10 years old.

Through our edition India's Best Interactive Gaming Companies to Watch encompassed in our quest to find supreme gaming solution provider companies, landed us at OAO Info India.

Founded in 2018, OAO Info India Pvt Ltd (OAO India) offers expert gaming and web development solutions to its clients. It is committed to serving entertainment hungry masses by crafting games that are engaging and appealing. OAO India has launched three games Krishna Makhan Masti, Indian Food Baash & third game is Rise Of War recently launched in India on occasion of Dusera Festival also launched in Thailand. that are increasingly gathering popularity among gamers of all age groups. It also provides web and high end customized software solutions.

Furthermore, the company's digital marketing services help enhance the brand awareness and digital presence of our customers with a vision and strategy that will help them grow strategically.

Impeccable and Real-time Solutions

We have established what the company does, however, let us now find what enables the company to achieve its purpose – providing the best solutions through innovation. Consumers will always have problems and as long as these problems exist they will look for better, faster, and smarter ways to solve these problems. Keeping this in mind, Master Aryen has designed gaming, digital marketing, and IT solution.

The company's game development studio is dedicated to making culturally relevant games and takes pride in propagating its vibrant and diverse culture to the world. "Entertaining and delighting our players with beautifully crafted games with simplicity at its core, we ensure joy to the players of all age groups," comments Master Aryen.

The company's software development solutions help businesses leverage their potential by developing various custom software solutions and services as per our client's needs. Its software development services include Custom Application Development, Content Management System (CMS) Plugins, Ecommerce Development, MEAN Stack Development, Social Media Apps, Web Design, Template Design / Banner Design, App Design, and Email and Hosting Solutions.

Furthermore, the company's digital marketing team ensures its client's online presence and provides complete branding solutions that can smartly and effectively help business growth. The digital marketing services include Search Engine Marketing (SEM), Pay Per Click (PPC), Social Media Marketing (SMM), Content Marketing, Social Media Optimization (SMO), and Search Engine Optimization (SEO).

Meet The Child Prodigy

All the talk of fame and the brand story of OAO India will be incomplete if not talked about the mastermind behind this company. Master Aryen from an early age had a liking for playing video games and mobile games. His curiosity led him to take an interest in gaming and new technology. He also studied and developed an understanding of software products and services. All these together motivated him to start an IT company named OAO (Online-Aryen-Organization) India.

Master Aryen's participation in the industry visits, board meetings of company and close association with sales and marketing team, accompanying his parents and role models- Mr Suresh Dnyanobarao Kute (Founder & CMD of The Kute Group) and Mrs. Archana Suresh. Kute (MD of The Kute Group) from an early age has blessed him with the insight and vision of a true entrepreneur. Entrepreneurship is in his blood and at an age when most children are spending their time in playing around, he has proved his talent and mettle as an entrepreneur. He is a recipient of the Youngest Entrepreneur Award (2019). He strategically guides the company and leads it to the trajectory of tremendous success.

At Par with Industry and Innovations

Now the trajectory of success is not easy given that there are constant innovations and advancements in the industry and thus a lot of competitors as well. However, Master Aryen's strategic planning, eye for detail, and customer-centric solutions help the company have a competitive benefit over its competitors.

Aryen Suresh Kute, Founder & CMD OAO India

Speaking of gaming solution, in particular, there is no denial of the fact that this industry is expanding with every minute hence, Master Aryen has made it a mandate to follow the below-mentioned points that will help the company evolve as a leading gaming solution provider.

- Focus on your audience; know your target audience, and develop a game that pleases them.
- The next step is having insights about the preferable genre of the game (of your target audience)
- Game Mechanics – Focus on the form and functioning of the core game.
- Characters/Storyline - Proceeding of the storyline with game characters created, powers assigned, audio-visual effects, etc.

"Creativity is at the core of our games and keeping view of the larger picture we have used the best technology and systems. Study of gaming industry trends and understanding the needs of the target audience goes a long way in making exciting games," comments Master Aryen.

Towards A Remarkable Future

OAO India is scaled-up to become a leader in the game entertainment and web development industry providing quality products and services with our professional expertise. While the company is continuously working towards it, it also plans on offering novel customer-centric solutions.

"With the help of high-end research and development team, we are planning to create design assets and collect resources that will allow our brand to grow consistently over the next few years.

"As a booming game and web development industry, we are looking forward to creating profoundly engaging and entertaining games and software Solutions that will reach in the heart& mind of the gamers and make their lives happy by taking OAO India to greater heights," concluded Master Aryen.

For Designing Purpose: From the Client's Desk

One of the attributes that define the success of a company is its happy clients and this company's clients below-given testimonials justifies that this company has already touched the zeniths of success.

"Our Bank Website and 'Dnyanrradha Bank Calendar Application' is developed by OAO Info India Pvt Ltd and it is made creatively; it is informative and has exceeded our expectations,"

-Dnyanrradha Multi-State Co-Operative Bank

"We are delighted to be a client of OAO Info India Pvt Ltd. They have created a fabulous website for us," *- DNR AutoTech*

"From Planning, Content Writing, Web designing to implementation, OAO INDIA has helped us in sorting out everything with full efficiency,"

- Tirumalla Edible Oils & Foods

"The team is supportive and has taken all our needs into account while creating an attractive website," *- Tirumalla Hair Oil.*

Dr. Nagma Abbasi: The Woman Entrepreneur in Biotechnology

Glass ceilings are meant to be broken. We say women are genetically tuned for success.

Take the case of Dr. Nagma Abbasi. An alumni of prestigious institutions like IMT Ghaziabad, A.M.U. Aligarh and Indian Agricultural Research Institute, Delhi, she is Doctoral Scholar in Molecular Genetics & Molecular Biology. She also has a management degree under her belt. In a glorious, decade long career with esteemed research institutes and leading multinational companies in the Life Sciences and Biotech industry, she has handled various functions like product management, customer segmentation, brand management and strategic marketing.

In 2014, she turned an entrepreneur with NextGen Life Sciences. The company offers products for Cell Analysis, Cell Culture & Transfection, Cloning, DNA & RNA Purification, Gene Expression Analysis & Genotyping, PCR, Protein Expression & Analysis, Real-Time PCR, RNAi, Sequencing, Synthetic Biology, Cancer Research, Stem Cell Research, drug discovery and development, plant sciences, Epigenetics and services for Sequencing and Next Generation Sequencing.

The company is a single source facility catering to the research needs of scientists in the field of Molecular Biology, Cell Biology, Immunology, Healthcare and Drug Development. The company is currently spearheading futuristic innovations in Biotechnology like Next Generation Sequencing (NGS) in clinical laboratories, NGS Data analysis, and interpretation of unknown genetic variants. Well established in North India, it is expanding to West and South India. Dr. Abbasi is enthusiastic about CRISPR - a new technology and its application. CRISPR technology is a simple yet powerful tool for editing genomes. "Our company's mission is to discover, delineate, and deliver high-quality products and excellent services that enable millions of lives to live a healthy and better life," says Dr. Abbasi.

NextGen Life Sciences is associated with some of the leading multinational brands as a Manufacturer, Research & Development Center and Distributor of Innovative technologies. It works closely with the industry and customers. The company's strives to provide high quality innovative products and services at competitive prices in a timely fashion to its customers. Dr. Abbasi's expertise in the field ensures that the company understands the scientific needs of its clients and delivers the best possible customized solutions within the allocated budgets.

Dr. Abbasi has guided NextGen Life Sciences Private Limited to evolve into an organisation that addresses the needs of the researchers of the Life Sciences/ Biotech Industry, helping them gain insight into recent innovations and technologies. She has single handedly shaped the organization into a trendsetter in the field of life sciences. A fiercely independent woman, Dr. Abbasi has given it her all to transform her dreams into reality. Talking about NextGen Life Sciences Private Limited, she says, "We are proud of who we are, what we do, and how we do it. We are many, working as one, across functions, across companies, and the world".

Dr, Abbasi prides her organization's capabilities to develop the most-suited, innovative solutions for its clients based on the market needs. She believes in building long lasting relationships with their customers on the basis of superior quality deliverables and unmatched product inventories. "Today, my Team and I deliver the best of services and solutions which are smart and futuristic, ensuring that NextGen Life Sciences Pvt. Ltd. becomes the most preferred brand for clients," states Dr. Abbasi.

Dr. Abbasi's impeccable work ethics and extraordinary output has been recognized and feted at various forums. Some of them include:

- Entrepreneur of the year 2021 by prestigious Indian Achievers Forum.
- Featured as a "Top Inspiring Business Leaders making difference in 2021" by Global Tech Outlook Magazine.
- Women of the Year Award 2021 by DigiLive.
- Featured as one of the Top 10 Women Entrepreneurs 2020 by Forbes India.
- Selected as India's Inspirational Leader 2020 by WCRC.
- Featured as Decisive Women Leaders 2020 by Business APAC.
- Featured amongst 30 Most Influential CEOs by CIO Bulletin.
- Selected as Winner of India 500 CEO Awards 2020.
- Entrepreneur of the Year Biotechnology and Healthcare Industry 2020 by Power Brands.
- Listed as India's Most influential CEO of the Year 2020 - Life Sciences by Corporate Vision Magazine, UK.
- Entrepreneur of the Year in Trading Business "MSMECCII Genentech Asia Awards 2020".

Dr. Abbasi has reached the pinnacle overcoming every challenge that came her way. With her determination we know that she has a lot of peaks lined up to conquer.

Counting Superior Career Performance @ ISB&M

Counting superior career performances is hallmark of International School of Business & Media (ISB&M). At ISB&M, we benchmark our education process and curriculum with the best in the world. We are objective focused and recognize aspirations & needs of our students for rewarding and big future. We expect our students to work with the best employers across the globe such as Google, Apple, Amazon, E&Y, Goldman Sachs, KPMG, Deloitte, JP Morgan, Morgan Stanley, Microsoft, Sony, Johnson & Johnson, IBM, TATA Group, Reliance in USA, Europe, Australia, Canada, Middle East and in India. Our students, therefore, must at grow to be at a competitive benchmark of A team, not B team. We prepare them to excel professionally and socialize in a global environment. Established in the year 2000. The Institute has managed to be amongst the top 2% B-Schools in India in terms of Education & Career Building within a span of 22 years, with Campuses in Pune, Kolkata & Bangalore.

ISB&M group is founded and led by Dr. Pramod Kumar, Ph. D IIT Bombay, and formerly with IIM-A, XLRI, SIBM Pune. Consultant to over 80 companies worldwide. We attract best of the faculty with commendable academic credentials and experience from top Institutes such as IIMS, XLRI, SP Jain, FMS, NMIMS and top Organizations.

As Preached & promulgated by Dr. Kumar

- Always look for and follow the best practices and standards.
- Maintain national and global character and also egalitarian & friendly culture.
- Create a rewarding sense of belongingness for mutual growth.

ISB&M offers 2 years full time Career: Oriented dual specialization PGDM programme, approved by AICTE in Marketing, Finance, HR, IRM SCOM (only for Engineers), Media & Communication & Business Analytics

ISB&M learning programme is driven by high quality faculty & who have been associated with top B-Schools of India through their education and past work experience.

ISB&M continuously innovates on teaching & learning process with Guided Self- Study (GSS), new format of performance feedback etc. Students are encouraged to develop self-learning orientation. GSS, while common among top American & European institutions, is new unique feature of ISB&M learning programme. This promotes study of what you may like to learn.

Ongoing Campus Placement 2021-22

Excitement of salaries with CTC of 15lacs,14 lacs, 13 lacs and much more going up to 18 & over 20 lacs, students create a highly energetic and euphoric environment. Joy of joining teams of big corporates lifts their self-esteem and expectation from both themselves & ISB&M.- like TresVista, Hewlett-Packard, Ergode Inc Sutherland Global, Trinamix, FIS, Schneider Electric, Avata, British Telecom (BT), The Adecco Group, Deloitte Taxation, Deloitte Consulting, Korn Ferry, APTIV, PwC, GEP Worldwide, Wipro Signify (Philips Lighting), AstraZeneca, Trident Group, TCS, Dun & Bradstreet and awaiting many more…

ISB&M has consistently achieved outstanding campus placements since its inception and the recent final placement has been remarkably admirable with expectations of 10 to 11 lacs CTC as an average.

While no. of companies scheduled to visit were over 95, our top 20% (approx...) batch got placed with an average package of 14.63 lacs CTC and the expected highest being 18 Lacs.

Students were offered profiles in domains like Marketing & BD, Consulting, Finance, Operations, IT & Analytics and General Management.

ISB&M Alumni all across the Globe in Leadership Role: With great careers, over 9500 Alumni are working with top Indian & MNCs in senior position like Director- HR, Sr. Vice President, Vice President, and Director Marketing, Supply Chain etc. APAC and Head Offices across the world. ISB&M alumni who play key role in Final Recruitment. ISB&M Alumni work with 80% world's top 20 most preferred MBA employers e.g Google, Apple, Amazon, E&Y, Goldman Sachs, KPMG, Deloitte, JP Morgan, Boston Consulting Group, Morgan Stanley, Microsoft, Sony, Johnson & Johnson, IBM etc.

Learning with Objective:

- Build professional capabilities to serve value & resourceful life
- Be informed over issues & research to build your conceptual and information capabilities.
- Develop intellectual and professional competence through intellectually engaging processes
- Communication & Articulation- Overcome your hesitation & express your thoughts.
- Action Orientation learning programme
- Personal proficiency development through workshops, adventure sports, debates & business strategy plans.

Awards & Distinctions

- Ranked 8th Position in top Private Business Schools in India by Times B- School Survey, 2021
- Ranked 2nd Position in B-School Rankings in Pune by MBAUniverse.Com Survey, 2021
- Outstanding Performance in Education" by The Economic Times.

The Best Minds to preserve People's Minds

Our minds and brains still stay unexplored. Our sedentary lifestyles and unhealthy food habits is bringing mental health to the fore. The best of minds are involved in solving the puzzle.

Mental health is a stigmatized concept in India. In-Med Prognostics is normalising conversations about mental health. It is in the forefront, harnessing the best technology in the world to solve the mystery of the brain! Ably led by Dr. Latha Poonamallee and Rajesh Purushottam, the company is playing a leading role in early detection and prevention of neurological problems.

In-Med Prognostics products and services have the merit of being crafted by natural compassion and empathy, traits that woman genuinely have. Incidentally, Dr. Latha Poonamallee specializes in building strategic research partnerships, creating and managing long-term strategies, and balancing the market, social, and technology orientations of the company. As CEO (US) & Board Chair, she drives R&D, Product Development, IP, and Regulatory strategies. She is involved in developing new programs to support the strategic direction of the organization. With her international exposure, she is a natural at managing global teams with a diverse array of talents and responsibilities. Analyzing program risks, Reviewing solution architecture, and driving research methodology for product teams are her forte.

Coming with a strong academic foundation, she is a professor and Chair of Management and Social Innovation and University Fellow at the New School in New York City. Her award-winning research on change, innovation, and leadership has been published and presented in numerous journals and conferences. Her most recent books are Socio-tech Innovation: Harnessing Tech Innovation for Social Good (2019, Springer) and Expansive Leadership: Cultivating Mindfulness to Lead Self and Others (Routledge, 2020). She is the creator and host of the Management and Social Justice Conversation Series.

Rajesh Purushottam complements her by driving the go-to-market strategies and investor relations for In-Med. He also engages with Governments and other relevant stakeholders for strategic MOUs. With his quick market intelligence, he propels the business process and the value stream mapping for clinical and commercial convergence. As CEO and co-founder of In-Med Prognostics, Rajesh's endeavor is to leverage and deploy Artificial Intelligence and Deep learning to affordable healthcare in emerging markets using the power of Algorithm and data science to bring down costs and make healthcare inclusive and affordable. He has also Co-founded a Teleradiology company in 2012 which he exited in 2020 and is familiar with both Digital Healthcare and telemedicine and is a serial entrepreneur.

Rajesh has over 20 years of professional corporate experience before he became a Health-tech entrepreneur. Rajesh brings in Organization Design, Performance Engineering, and Entrepreneurial leadership as his key strengths to the table. Rajesh is a Graduate from the Indian Institution of Industrial Engineering and an MBA in Personnel Management from NIPM, Kolkata. Rajesh has a global exposure with work stints in Mauritius, Singapore, and the US. This cross-cultural exposure and global skills has empowered him to lead a Global healthcare Tech startup.

Rajesh's exposure to leadership coaching and organization development has resulted in fine tuning his bent of mind to comprehend business challenges and come up with possible solutions. He has enough certifications backed by profound assignments in organization culture building, leadership styles, behavioral engineering, and organizational psychology. He shares his expertise and real time experience as a visiting faculty in Social Innovation & Entrepreneurship and an adjunct faculty at Symbiosis Institute of Business Management (SIBM).

They are the brains behind In-Med's Neuroshield. It is a brain geometry-based quantifying analytics tool that enhances Neuro-imaging analysis and adds objectivity to the Radiology report by providing specific volumetric measures. This analysis enables actionable, quantitative, objective decision-making of Neuro-physicians in their diagnosis. It thus contributes substantially to mental healthcare by facilitating early diagnosis of conditions like Alzheimer's, Dementia, Parkinson's, epilepsy, and other neurological diseases. The use of AI in Volumetric analysis enables the competent physicians to make early calls on degenerative diseases like Alzheimer's or dementia. It helps in formulating a refined and objective treatment plan for the patient.

For the first time in India, this cloud-based system allows a physician to track changes and volume loss on a longitudinal basis providing a way to move brain health into preventative space. In-Med Prognostics endeavours to provide end-to-end solution to all brain-related issues and become the pioneer in brain health globally.

Website: https://in-medprognostics.com/about-us/ **Linkedin**: @In-Med Prognostics

Mr. Sharad Upasani
Vice Chairman
MVIRDC WTC Mumbai

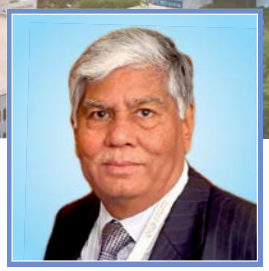
Capt. Somesh Batra
Vice Chairman
MVIRDC WTC Mumbai

Mr. Ajoykant Ruia
Vice Chairman
MVIRDC WTC Mumbai

Ms. Rupa Naik
Executive Director
MVIRDC WTC Mumbai

World Trade Center Mumbai:

One-Stop Solution for Trade Services and Facilities



Dr. Vijay Kalantri
Chairman, MVIRDC WTC Mumbai
Board Director, World Trade Centers Association, New York

World Trade Center (WTC) Mumbai, promoted by M Visvesaraya Industrial Research and Development Centre, is the premier World Trade Center in India dedicated to the promotion of international trade and investment for more than 50 years. It is a member of the World Trade Centers Association, New York (WTCA, NY), which has an unparallel network of over 320 WTCs in 92 countries, connecting one million businesses across all sectors. The prime objective of WTC Mumbai is to enhance India's trade competitiveness and facilitate India's integration with global markets through trade promotion, research, trade education and training in international trade and business, and trade facility management.

The Center conducts business networking seminars and workshops, and hosts exhibitions for the benefit of the trade and business community. MVIRDC WTC Mumbai, having spearheaded the movement of World Trade Centers in India with the establishment of WTCs at Bhubaneswar, Goa and Jaipur, is assisting MSMEs in these regions through trade research and networking programmes.

World-class Amenities Offering a Vibrant Trade Ecosystem

With a view to create business linkages, the Center receives trade missions and leads business delegations to key global markets.

Facilities offered by WTC Mumbai include Meeting Rooms, Expo Center and Commercial Premises for hosting Conferences, Exhibitions and Seminars, Office Spaces and Cabins, a Convention Centre and a Shopping Arcade. WTC Mumbai hosts prestigious institutions such as RBI, EXIM Bank and other financial institutions, corporate houses, PSUs and trade-representative offices of foreign countries.

Trade-related services include Interactive Meetings with Inbound Trade Missions, providing Trade Information and Market Research on India and Overseas, issuing Certificate of Origin and Visa Recommendation Letters, Trade Counseling and offering Education and Knowledge-Creation courses. The Centre also acts as a bridge between policy-makers and MSMEs.

WTC Mumbai is equipped with a Trade Library: WIPO Depository Library, and also provides verification for women entrepreneurs to onboard SheTrades (an ITC Geneva, initiative), a web and mobile application that seeks to connect women entrepreneurs to global markets.

Faciltating Strategic Alliance for MSMEs

MVIRDC WTC Mumbai connects its members with over 60 international trade missions annually. The Center offers its members access to conferences, seminars and other knowledge-sharing programmes and platforms. The Center provides research inputs on industry and trade in agro, manufacturing and services sectors. It also provides its members complementary access to the e-platform of 'Trade Point Mumbai' offered by World Trade Point Federation, Geneva, to source trade leads. The Center further provides access to Reciprocity Desk of WTCA, NY to connect its members to other WTCs. Through its global network of more than 200 MoU partners, WTC Mumbai connects MSMEs to their potential partners. To stay relevant in these challenging times, the center has launched a new-age digital platform wetrade.org to facilitate global market access for local MSMEs.

For more details kindly reach out to us on rupanaik@wtcmumbai.org

Swiss Garnier: The World's Favourite Drug Manufacturer

Swiss Garnier Group is a Global Pharmaceutical Manufacturer specializing in development and production of Innovative Pharmaceutical and Nutraceutical formulations.

Incorporated in the year 2006 as a contract manufacturer and research organisation, it has currently 4 manufacturing facilities with a turnover of INR 450 Crores.

The childhood dream of the Entrepreneur Mr. M.S. Theivendran, Founder and Chairman of the organisation, is to develop innovative and quality products which is aptly mentioned in the Vision and Mission as "Passion for Quality and Innovation" has led to the growth of the organisation over a short period.

Being a Chemical Engineering by Qualification from the prestigious CIT University from Coimbatore, he started his career in ONGC before stepping into business. He was ably supported by his wife Mrs. T. Rethinavalli who is also a Science Graduate, B.Ed. and had taken over the role of Finance and Supply Chain. Prior to joining the organisation she underwent various entrepreneurial development programs conducted by FICCI, EDI(Entrepreneurship Development Institute of India), ITCOT Industrial, Technical Consultancy Organisation of Tamilnadu).

The duo with their vast experience and knowledge with commitment and hard-work had developed nearly 2000 plus formulations and also developed a very strong clientele from MNC to top Indian Pharmaceutical companies as their customers.

To name a few includes Novartis, Abbott, Lupin, Glenmark, Cipla, USV, Zydus, Sun Pharma, Torrent, Dr.Reddy's, Mankind, Piramal, Alkem, Alembic, Ajantha, Biocon, Intas, Wockhardt, Aristo, Zuventus etc. They have also tied up with PepsiCo and are the manufacturer of Gatorade (Sports Drink) in Sachet form for the Indian Market.

The Exports division was started in the year 2015 and currently the company has around 80 to 90 of its own brands which they are marketing to over 30 to 35 countries. Their main focus in Exports is ROW market and few nutraceuticals are being exported to UK, European and US markets also.

The duo's elder son Dr Vignesh Gandhi, Doctor (MD Internal Medicine) by Profession, was previously associated with Apollo Hospital and Gleneagles Hospital, quit his practice and joined the family business and started taking care of R&D, Business Development and Exports activity. Prior to joining the organisation he has also undergone Advanced Healthcare Management course from Indian School of Business (ISB).

The younger son Mr. Vishnu Theivendran, did Chemical Engineering from AC Tech (Anna University), Chennai and Masters in Management from France. He also underwent internships in Abbott Headquarters Basel (Switzerland) and also PwC (Price Waterhouse Cooper) Mumbai. Upon completion of his masters he joined the Family business a year ago and is primarily involved in the domains of Production Planning Activities alongside HR and IT.

Swiss Garnier Group has 4 manufacturing facilities, 2 in Himachal and 2 in Sikkim. They specialise in development of various dosage forms in Tablets, Capsules, Syrups, Sachets, Topicals, Effervescence, Ointment. Few of their innovations are Tablet in Tablet, Tablet in Capsule, Capsule in a Capsule, various mouth dissolving tablets, sustained/ extended release tablets, enteric coated tablets, sugar coated tablets etc.

Combined manufacturing capacity of Himachal plant is 800 million Tablets, 600 Million Capsules & 40 million Tubes and Bottles each, Swiss Garnier Sikkim plants has a combined manufacturing capacity of 6 billion Tablets, 150 million Capsules and 35 million bottles.

Swiss Garnier is committed to Customer Satisfaction, Employee Empowerment and Environmental care. All it's 4 facilitates are of state of the art with latest and upgraded sophisticated machinery with global standards.

The group has future plans for Forward Integration (Domestic Marketing) and Backward Integration (API). In the upcoming Financial Year there is a plan to establish manufacturing facilities outside India as well.

The sole mantra and advice to all the young Entrepreneurs from the Dr Vignesh and Mr. Vishnu is that

"Have a Dream and Chase behind the dream, the dream must have a social cause in it. In our case it gives us happiness and satisfaction that indirectly we are treating the illness of the patients by manufacturing and giving the products. We do it with utmost care and quality and we never compromise on quality. This ulterior motive with hard work and commitment to the society will one day give returns.

Wait patiently. Success is always yours.

Also the growth of the Organisation doesn't attribute to any individuals growth. There are many unseen people part of the success story who usually are not brought to the limelight and they always remain as the pillars of strength and support to the organization who are none other than the real assets of the organization, employees of Swiss Garnier (SGites) who are not just employees to this firm but family "The Swiss Garnier Family".

The growth and success is also contributed by the support of our Vendors, Customers, Bankers who have been with us during our tough days and also supported and taken a huge role in our growth.

- Awarded as "Leaders of Change" from Economic Time in 2021
- Awarded as "International Business Leadership" for 2021
- Awarded Manufacturer of the year-SME 2021
- Awarded Fastest Growing Indian Company Excellence Award 2021
- Awarded INDIA 5000 BEST MSME AWARDS 2021
- National Achievers Award for Young Entrepreneur 2021
- Winner of Asia Pacific - Steve Awards 2021 for excellence in innovation in healthcare.
- Winner of '101 Most Fabulous Global Healthcare Leaders
- Award'2021 by Global Healthcare Congress.
- ACE Business award for "Best Quality Pharma Manufacturer of the Year 2020"
- Awarded 'Best Family-Owned Business' 2020 by SME Chamber of India
- Won 'Bhutan Healthcare Leader Award' 2020 from Global Healthcare Congress.
- India SME 100 - India SME & Axis Bank in 2019
- International Leadership Innovation Excellence Award 2019' from Institute of Economic Studies at Colombo, Sri Lanka
- Won the FICCI FLO Women Entrepreneur award of Tamilnadu
- Won Super SME Award from World Association of Small and Medium Enterprises in 2016
- The Healers Award' by The Times of India in 2015`
- SME Business Excellence Award' by Dun & Bradstreet in 2015
- Strategic Business Partner Award' from ABBOTT for 7 consecutive years since 2014
- Emerging India Award' by CNBC TV18 & ICICI Bank in 2011

Chandni Kapadia: A Leader can lead anywhere

People generally build their core competencies in an area and excel in it. It is indeed rare to see a person effortlessly migrate across industries and successfully stamp their mark on it.

Chandni has done the unthinkable. Hers is a successful journey from being a leading Luxury brand consultant to heading a leading private university. She has proved that the unthinkable is very much possible.

At a young age, she stepped out of India with dreams to meet and work for Mr. Calvin Klein, one that she eventually fulfilled. As she says "As a young girl I might have been naïve, but one thing I was determined of - Manifestation of my dreams into reality and for that, I was ready to challenge anything that came my way"

Chandni pursued Fashion Merchandising from FIT and went on to do an MBA from London School of Economics. Her strong passion and a singular focus on goals helped her become Country Head, Busi-ness Head, and Asia Pacific Head of many luxury brands. For her, success meant a continuous evolution into a better version each day.

Chandni is a firm believer in the Power of the Team and has built strong dependable teams both in India and abroad. She says, "The people in your organization will ultimately determine the success or failure of your business".

Chandni has always loved having her hands full!! Whether it is freelancing as a consultant or her role as director in GLS University or even learning something new. From being a fashion consultant to getting a law degree with 11 gold medals, she has excelled in it all.

Her foray in the field of education has been almost a decade old, when she was looking for bright minds for MNCs and ended up associating with it to grow and bridge the gaps in the education and the corporate needs. Today GLS University has collaborated with Ivy League universities like Harvard, Luiss Business School, CBU, New Castle etc. She says, "It is a big high when you play a huge role in making dreams come true". She indeed feels blessed to have Shri Sudhir Nanavati as her mentor and to be a part of this huge institution which has become a family to her.

Chandni has always been an advocate of supporting women's voices at all stages of her life. As a National Council President of WICCI & Director of Rotary Club of Visionaries of Mumbai, she has reached out to women across the world and supported their causes and businesses – a dream that she always had to give back to the society.

During her me time, Chandni loves to travel and play with her baby pet, Zoey. She says "Having Zoey has made me more compassionate, understanding and fun loving. She certainly keeps me grounded and calm". Chandni has been a strong advocate of preventing of street dogs against animal cruelty and has worked with various NGOs towards it.

Chandni has worked towards her dreams relentlessly. She feels it is important for today's youth to channelize their energy and time towards fruitful actions. She signs off with a message for them, "Dreams won't ever work for you unless you do. So, channelize your mind and energy on the things that matter. Seeing that satisfied happy smile on your face at the end of having a fruitful day is always unmatched."

Achievements and Recognitions:

1. World Women Leadership Congress Award for her immense contribution to fashion industry and also for Mumbai's Woman Leaders.
2. Women Entrepreneur Award and Rastriya Samman Puraskaar by National Achievers' Recognition Forum.
3. Black Swan Award for Women Empowerment by AsiaOne in support of UN Global Compact Network & Government of India.
4. Self-Made Woman Award by Digilive, Asiaone.
5. Iconic Women Creating a Better World for All by Women Economic Forum, All Ladies League.
6. High Flyers' Appreciation Award 2021 in appreciation of Entrepreneurship
7. CEO of the Year Award by Indian Achievers' Forum in 2020
8. Awarded "Leaders of Change 2021" by Economic Times
9. Ms. Kapadia has featured in Forbes List of Top 10 Women Entrepreneurs of India and in magazines like Fortune India, India Today and Outlook.
10. She was featured in Forbes India Women Power Issue and Business Today

Show me the sky. I will define its boundaries

Manodh Mohan is the man who got excited by seeing the sky. He saw its vast expanse and understood the undefined potential that it symbolized. He saw challenges as opportunities and made the most of it. You just cannot put a such a man down.

His uneventful school life was spent in Orissa, his father worked for The Hindustan Zinc Limited in Sundargarh, interspersed with occasional visits to Adoor, his home town. After graduation he pursued a post-graduation in MBA and joined Air Deccan as a flight steward.

When things were just settling for him, life hit a turbulent patch. The family fell into bad times and lost everything that they had. Prioritizing family over everything else, Manodh wound up everything to be with the family.

The outlook was bleak but Manodh was steeled up for the occassion. He started afresh in Adoor, starting an Internet café. He simultaneously worked on honing up the software skills that he had picked up from roommates at Delhi. With the infrastructure in place and the skills to boot, he successfully pitched for software development assignments. His first paycheck of $108, laid the foundations for the dream that he had.

In 2013, Manodh started a website development service at Ernakulam, with two friends joining him. Their firm proved its mettle and professionalism with every assignment it undertook. The turning point for them was the website for the Indian Embassy in Oman. The company that was developing the website backed out of the project, just four days before the completion deadline. When the distraught client came to them, Manodh and the team accepted it and successfully executed it within the deadline. The meticulous planning, the speed of execution and the uncompromising commitment to a client's need pole vaulted them to the top of the league.

As orders piled up, the pre and post sales follow ups became a challenge. It was affecting the productivity. In his problem, Manodh spotted an opportunity to solve similar problems that other organizations may face. While he did streamline the process, he went with this solution to other customer focused organizations that have a sales team facing similar challenges. Their need was a business opportunity for him.

Backed by 36 months of development and rigorous testing, SALESFOKUZ took the market by storm, right from its entry in 2019. The product made for customer needs was well received. It is now being used by leading financial institutions namely SBI DFHI, CSB, Saraswat bank, DCB Bank and organizations like Manikchand Oxyrich, Godrej, Fruitomans, Oralium, etc. Salesfokuz is currently used by 10k + tested users around the globe.

As the pandemic put a brake on the well laid out plans of corporate India, Manodh and his team shifted gears to churn out a video-conferencing application - Fokuz. Fokuz provided secure and flexible video conferencing experience. It received an outstanding testimonial from the Stock Market Institute for whom it was the technology partner at their Mega Online Job Fair conducted with 50+ fortune companies and 3000+ participants participating from different parts of the country.

Skyislimit Technologies Private Limited has also been selected for the NASSCOM 10,000 Start-ups Virtual Incubation Program. It has also secured an angel investment of $2 million from the US-based visionary Mr. Suneel (Sonny) Menon and his wife Ms. Shari Menon. The investment is being used to strengthen Research and Development (R&D), Support and Business Development, creating more job opportunities.

What started off as a team of 3, has now grown into a family of 80+ experienced professionals. The cybercafé has given way to a global headquarters at Texas, USA, with development teams in Kochi, Mumbai, Delhi and Ajman – UAE.

A man without a job once, Manodh now creates job opportunities to many individuals, encouraging them to dream big. What better inspiration for youngsters than having a mentor who lives to rise above the skies.

Manodh and Skyislimit Technologies have been widely covered and felicitated in the media. Awards and accolades came searching for their exceptional client focus. They have by now received 12+ awards. Some of them include :

2019 - Gold medal from Malaysia Technology Expo
2019 - The Bizz Awards from WORLDCOB
2020 - Startup of the year from Business Connect
2020 - Indian Achievers' Award from Indian Achievers Forum
2021 - Fastest Growing Indian Company Excellence Award from International Achievers Awards Dubai
2021 - Leaders Of Change from The Economic Times
2021 - Indian Affairs Innovative & Dynamic Entrepreneur Of The Year from 12th Annual India Leadership Conclave & Indian Affairs Business Leadership Awards.

Because the nation needs the Power to grow

A growing nation needs power. Industries need uninterrupted power supply to keep their commitment to stakeholders. A dependable source of power generation is a must.

Narendra Goyal,
Director Shyam Global.

Narendra Goyal's tryst with power started with the Mahindras. With 25 years of rich corporate experience he was at a senior position at Mahindra and Mahindra. That is when the entrepreneurial bug bit him. He used his experience and cemented his association with the Mahindras by manufacturing generator sets for Mahindra Powerol.

Shyam Global Technoventures Pvt. Ltd was established in April 2018 with Mr. Narendra Goyal & Ruchi Goyal as founders & Directors. With its headquarters & plant in Pune, it is staffed by the best minds in the industry. Goyal, an engineering graduate with a postgraduate qualification in management has a wealth of experience in Marketing, Strategy Development and company development. The company has a branch office in Mumbai to service the clients better. Rather than a generator supplier, they pride themselves as solution providers to customers.

SGTPL set-up a world-class, state-of-the-art genset manufacturing plant for Mahindra Powerol. They manufacture high-quality generators having optimal fuel economy, low maintenance & long life in the range of 5 kVA to 625 kVA Diesel Generators. Whether it is high productivity or improved fuel economy, reliability or low exhaust emissions, SGTPL have gen-sets that meet any customer requirement. As a result, they cater to a large number of players across industry spectrum.

An MSME, SGTPL is today engaged in Diesel Generator manufacturing, backup power solution, roof top solar solution business, Gas Power generators, Dual Fuel power solution & Oxygen Generators manufacturing (as per DRDO standard). Mahindra Powerol has also ventured into Gas based generators few years back and now has a range from 15 kVA to 125 kVA. These are cost effective and environment friendly gensets.

SGTPL's high tech plant boasts of facilities like Fiber Laser Machine and an automated 3 layered Powder coating plant.

For a company that started with a small plant in 2018, SGTPL in now an established entity with over 150 employees. During the last 2 COVID -19 pandemic years, the company has relentlessly worked to support the health care segments with different requirement like providing power backup to hospitals, oxygen generating unit. Gensets were manufactured and delivered on a war footing to enable health care workers save lives. Manufacturing units were reconfigured in a hurry to make oxygen generators that were the need of the hour. Gensets were also dispatched pan India to provide power backup to vaccine cold storage units.

SGTPL defines its purpose as Customers exact needs, speed of immaculate execution and a religious dedication to commitments. With such a profound vision to power them, we say Sky is the limit for them.

Website: www.shyamtechno.com

Mahindra Powerol is a part of the Mahindra Group's Automotive & Farm Equipment Sectors (AFS). Mahindras had entered the field of Power Generation in 2001-02. As Sanjay Jain, Business Head & Vice President, Mahindra Powerol Division explains, "Mahindra Powerol is a major Genset player having range 5 kVA to 625 kVA DGs and 15 kVA to 125 kVA Gas based generators. Mahindra Powerol is having one of the most advanced genset range with advantages galore like lowest foot print, lowest maintenance, most fuel efficient and ease of servicing".

Sanjay Jain, Business head and Vice President Mahindra POWEROL.

Sanjay Jain endorses, "Mahindra's OEM m/s Shyam Global Technoventures Pvt Ltd. (SGTPL) is having state of art & modern plant in outskirt of Pune where the complete range is manufactured in total quality control. Mahindra Powerol enjoys market leadership in the telecom segment and is a major player in retail segment."

SGTPL is thus the authorized original equipment manufacturer for Mahindra & Mahindra Ltd.

Business Leaders can reduce Stress by eating the right food

Deepika Chalasani has had an interesting career path. A well planned education paved her way into the corporate world. Hard work, the willingness to learn and evolve saw her career graph rise through blue chip companies like ITC, Wipro etc. She moved into consulting on behavioral assessment, performance management, Learning & coaching. At a young age of 35, she was coaching CEOs of fortune 500 companies, designing learning & development initiatives, behavioral assessment strategies, identifying top talent in companies and performance improvement strategies.

She was enjoying her work, crisscrossing the globe as she serviced the needs of clients across continents. That's when her health gave way. She had everything that a hectic work style should give you. Weight gain, BP, Cholesterol, borderline Diabetes, Knee Pains, Palpitations etc. Couple this with mood swings, lot of lethargy and fatigue and she knew she had trouble at hand.

Deepika was made of sterner stuff. She fought back. Both her parents had successfully reversed their health conditions to lead an extremely healthy life. Her father had a master's in nutrition and researched a lot about the uniqueness of Indians. She says, "Do not give up, do not give in, do not quit is my mantra. There is no substitute to hard work and persistence. Failures are opportunities to open another door". She went ahead and lost over 25 kgs and sustained it over 9 years. Alongside, she also reversed Diabetes (currently Hba1C is 5.0), BP, Palpitations, Knee Pains, the Mood Swings, Fatigue and Psoriasis. She belongs to the elite 1% of the world population who has lost over 20 kgs sustainably.

At the age of 39, she sets out on a new journey to help millions who are losing their battles against lifestyle conditions. In 2012, she co-founded Fit4Life India along with her father C. Subba Rao. In this momentous decade she has transformed the lives of countless people. The reason is not difficult to find.

On the basis of the 2 decades of research on the unique physiological, psychological, and cultural characteristics of Indians that differ from the rest of the world, the Fit4Life team designs programs for Indians across the globe. The programs aim to integrate mind & body giving sustainable long-term results because nutrition or the body (what is eaten) is only 50% & the mind (who is eating) determines the rest of the 50%. The improvements are both internal & external.

She personally curates customized programs that focus on the client´s wellness. The well rounded program includes nutrition, physical activity, sleep, and stress and helps patients attain a better level of wellness. She designs the program by understanding the client´s current nutritional status, health condition, lifestyle, profession, favourite foods etc. and their desired outcome. She helps them revisit and question their limiting belief systems, dysfunctional values frameworks, blocks and mindsets and helps them change their mindset to support their health journey.

Deepika Chalasani in her avatar as a clinical nutritionist & mind-body transformation coach, has impacted the lives of over 10000 individuals in these 9 years, ranging from children to senior citizens from diverse backgrounds which include Doctors, Homemakers, Professionals, Businessmen, Junior, Mid & Senior Corporate Executives, Students, Children, people with varied sexual preferences. Her approach is to make the mind strong by giving the right nutrition to the body. Experts often speak about handling stress through a stronger mind, breathing techniques & various other related mind related techniques. They do help immensely and Deepika as a mind-body transformation coach helps clients with such techniques.

The paradigm shift that Deepika brings to the table is to strengthen the mind with food first. The food we eat can either drain us or energize us to make us function optimally. The imbalance of nutrition, the composition of the different macro nutrients & poor digestive health is the underlying cause of food stress.

People who have anxiety issues, mood swings, stress related out bursts, panic attacks most often than not are eating foods that cause it. Intermittent stress causes most of the lifestyle related health problems and food stress contributes significantly to the intermittent stress. The imbalance of nutrition, the composition of the different macro nutrients & poor digestive health is the underlying cause of food stress. Weak body leads to a weak mind. However right food can make all stress related mind related techniques significantly more effective & impactful.

Today she has helped many clients from senior corporate leaders respond to situations better, improve their productivity. She has helped many doctors to become calm, help them work long hours without loss of energy and also reduce their hypoglycemia episodes through right foods. She has helped women become less anxious, reduce their mood swings and are many of her clients are now able to handle many more responsibilities with ease. She has also helped a lot of children to improve their concentration & reduce their anxiety by eating right – Giving food that gives constant energy through the day.

Deepika helps clients understand their body better so that they can permanently sustain their health after the program. They can even eat their favourite foods or manage themselves in a party or a function and then detoxify themselves.

When this HR Professional talks about improving lives, she gives a complete facelift to you, heart and body, mind and soul. Trust her, Start living. Because you truly deserve it.

RIDING THE WAVE OF SUCCESS AS AQUA PRODUCT MANUFACTURER

Amar Polyfils Private Limited, amongst the leading manufacturers of fishing nets, ropes and twines, sold under the name of "Diamond Brand" was established in 1994 at Porbander, Gujarat. After Udayraj Mishra, an industry veteran, took over the reins of the company in 1998 as director alongwith the visionary and dynamic company director, Ram Babulal Panjari, they together have made dynamic the product portfolio in the fishing, health and poultry industries resulting in their strong global presence for over two decades. Excellent quality, customer-centricity and entrepreneurial spirit form the core of Amar ventures.

Udayraj Mishra

WAVE OF SUCCESS

PP Rope- popularly known as Diamond brand ropes are of high quality and are durable

Amar is also one among the few manufacturers in India of HDPE Twine, an international quality soft net

USP of Amar Aquatic is the remarkably effective marine collagen powder used in cosmetics and wellness products

With 31 years of experience in the field of man-made technical fibre, Udayraj Mishra has taken to Amar Polyfils like a fish takes to water, looking after the all-round management of the company with focus on continuous learning and implementation. Whereas, the young Ram Babulal Panjari, having 23 years of experience in this business, brings with him excellence in entrepreneurship and managerial skills proving to be assets for expansion, diversification and valued customer relations.

Amar Polyfils Pvt. Ltd. has played a significant role in the growth of Amar Group and Hiravati Group. Amar Polyfils was once the sole company under the Amar Group. Today, the group has expanded and now has over 21 organizations under its umbrella. It is an ISO 9001-2008 certified company and has BIS license for the use of Standard Mark ISI. The annual combined production capacity for all plants is over 6,500 tons. Amar Polyfils has three units; Amar Polyfils, Amar Aquatic and Amar Sterilized Fishmeal that have significant presence in the fishing, health and poultry industries.

The focus of the duo is to relentlessly strive to improve product quality for which Amar has installed modern technology and machinery, imported from South Korea, Thailand and China for manufacturing products of matchless quality. Finished goods pass through stringent quality testing to ensure that they meet the increasingly strict requirements of countries to which Amar exports. This is supported by impeccable after sale services that has made Amar the preferred choice of the customers enhancing the relations, as well as with the employees through fair dealings and robust communication.

The main unit of the company produces a large variety of HDPE Net such as fishing net, agriculture net, sports net, safety net and many types of customized nest as per customer specifications; PP Rope- popularly known as Diamond brand ropes are of high quality and durable. Amar is also one among the few manufacturers in India of HDPE Twine, an international quality soft net. Whereas, Amar Sterilised Fishmeal unit produces protein supplements used in poultry farming and aquaculture.

As for Amar aquatic, its USP is the remarkably effective marine collagen powder used in cosmetics and wellness products such as Orthocop, a wonder formulation for joint pains, Beautcop for rejuvenation of the skin and MCP All-in-one that serves as complete health solution. Acting on the tremendous global demand for marine collagen, Udayraj and Ram are working on doubling production of marine collagen products and have ambitious expansion plans in the pipeline.

For their excellence across several criteria markers, Amar Polyfil has bagged several Skoch awards in different categories for several years, World Signature Awards 2019, IPSA 2019 - (International Product & Service Awards), and Indian Brands of the Year 2019, all three organised by APS Research & Media, besides Jewel of India 2019 organised by Indian Solidarity Council, New Delhi, are among the many recognitions won by the company.

Historically, Porbander, a coastal town of Gujarat, has been a flourishing commercial hub that attracted traders, who came through the sea route from far off lands. Amar, has once again prominently put the port town on the world map. ■

'THE RICHEST LEARNING COMES FROM A DIVERSITY OF EXPERIENCES'

Roshni Nadar Malhotra, Chairperson of HCL Technologies, talks about leading the company, her love for content, her parents, philanthropy and her aspirations

On a good day for technology stocks, Roshni Nadar Malhotra is India's wealthiest woman. She has inherited not only the genes of her father Shiv Nadar, a pioneer of the Indian tech boom, but also his keen sense of philanthropy. In a freewheeling chat with *Business Today*'s Global Business Editor *Udayan Mukherjee,* she speaks about stepping into Shiv's tall boots, preparing HCL Tech for the digital age, her mother Kiran's love of art, and her lifelong admiration of primatologist Jane Goodall. Edited excerpts:

Q: Roshni, you are today one of the richest women in India and chairperson of HCL group, but you had once set your heart on being a media personality. And, if I remember correctly, you even interned with CNN and Sky News. So, I had imagined Roshni Nadar was going to become a media face. So, what happened? Did your father take you aside one day and say 'Roshni all this is fine, but who is going to manage this multi-billion-dollar enterprise?' Is that how and when you decided to change course?

A: Well, I would have to say that my media journey started with CNBC as an intern. And I distinctly remember seeing you there. But, obviously, I was too junior an intern for you to notice. But I firmly believe, Udayan, that the richest learning comes from a diversity of experiences. I was raised in a fairly liberal household; my parents allowed me to do whatever I wanted to pursue. If Shiv [Nadar, her father] had serious plans for HCL, he would have asked me to do Science in Grade 12 and then put me in engineering. But I did commerce. And then, I pursued under-graduation in radio, television and film, with a focus on journalism. I interned with CNN and then I worked with Sky News in London for a year and a half. It was then that I had a very interesting conversation with Shiv. He said that even if your dream is to have a media empire, you would still need to know the ins and outs of the business. So, please go and attend business school. I think that's how I landed up at Kellogg, doing my MBA. And after that I moved back to India. So, that was really the long and winding journey of moving from India, going into media, business school and then coming back to the fold.

Q: Do you ever intend to take him up on that offer, surprising him by starting a media empire of your own, or are you too entrenched in the HCL fold to think about all that? Does it seem like a distant memory now?

A: Well, I still love content! So, in The Habitats Trust, which is a foundation in which I am Founder and Trustee, I have actually been producing TV shows for Animal Planet and National Geographic. Couple of years ago, I even produced a very small children's film. So, whenever I get time, I keep my mind and hands and feet in content and media.

Q: Tell me, how is it being Shiv Nadar's daughter? I mean you can't get away from it. Of course, you have built your own life, and now sit at the helm of the group. But, he must still be a larger than life figure in everything you do. And, those are big boots to fill. How do you feel about being his daughter? Does it weigh you down? Is it an inspiration?

A: I think it is a privilege. There is no way to fill his boots. That's true, so I prefer to say that I stand on his shoulders. And it's an honour to be able to do so. What's helped tremendously is that he is such a great teacher. And he has been that through his entire career. You know, HCL was not just built by him, but by the brilliant people he surrounded himself with. And so many have learnt from him along the way, including

"He [Shiv Nadar] is such a great teacher. And, he has been that through his entire career. You know HCL was not just built by him, but by the brilliant people he surrounded himself with"

"It [becoming CEO of HCL Corporation in 2009] was an instant push into the deep end and that taught me a lot... it was a very interesting time between 2009 and 2013, when I spent a lot of time between HCL Technologies and HCL Infosystems"

myself. You know, he stepped out of the role of being an active CEO almost 20 years ago. Since then, HCL has had multiple CEOs who have all been his students, because they all started their careers in HCL. For all of us, this larger than life figure is actually an amazing teacher. I think that has been my privilege. And he continues to be that.

Q: Your breaking into the fold was an interesting journey. You carried the Nadar surname and could have just been brought in and placed at the top. But the way it was done—placing you first with the HCL Foundation, then giving you a seat on the board, and it was only after years of observing how the business worked, that you were allowed to take on the hot seat of the chairperson. How would you describe this journey?

A: So, when I returned from business school, Shiv immediately made me the CEO of HCL Corporation, the holding company, which had a balance sheet almost as big as the operating company itself. It was an instant push into the deep end and that taught me a lot. This was in 2009. After that, it was a very interesting time between 2009 and 2013, when I actually spent a lot of time between both the group companies, HCL Technologies and HCL Infosystems, working in different departments, with different leaders, even the shop floor at our manufacturing facility in Pondicherry because those days we used to make computers. Then I was in [then CEO] Vineet Nayar's office, working with Zulfia [Nafees] in marketing. So, I think there were lots of roles that got me familiarised with the huge group that existed. And in 2013, I was inducted on the board. Through it all, one was also witnessing transition: Vineet as CEO, then over to Anant [Gupta]. And then from Anant to CVK [current CEO C. Vijayakumar]. A lot of changes happened at the board level as well. I think it was a very interesting induction for me, because Shiv deliberately ensured that I was always in places where key decision-making takes place. That is what decides the trajectory and the strategic direction of the organisation. Then Shiv stepped off as the Chairman last year [in 2020], at which point I was appointed. All in all, it was a great learning curve for me.

Q: At any point, while you worked with so many CEOs, did you ever sense any resistance? Because you were a woman, and the

boss's daughter, you could easily have been marked out as the outsider. Or would you say you were accepted with open arms, without any kind of rancour?

A: Even if it did, I would not know, right? And I guess it wouldn't matter. You know, Udayan, I am an only child. I have been around Shiv, been around all these CEOs at the office literally since I was a kid. So, a lot of my equations with these people are not just professional, but quite personal. So, it is a very different equation. It is difficult to explain. But they have all seen me growing up, been my mentors and teachers at some point or other. So, I hope it was all okay.

Q: I think I understand. That there was some personal affection, which is usually not the case between members of a board. Speaking of your time on the board, this was also when the major $2-billion IBM deal on products and platforms went through. And, it may well be an important cog in the wheel for HCL Tech going forward. Did that deal process teach you a lot?

A: Udayan, I think that was one of my biggest learnings. Not just for me, but for the board as well because strategically it is a very big pivot and a shift. We were always doing a lot of business in IT and solutions. And in products and platforms. But when we actually took the leap to acquire these IBM products, we learnt how to do the software business. Which is very different from what we were doing otherwise, which is ITBS (IT and business services) or engineering and services. So, now HCL Software is almost one-third of our revenues and a very large strategic part of how we do business. Now, we have to build those teams out. You know the kind of skills required to do software business, the kind of investment cycle. In one shot, it has given us access to over 2,000 global CXOs, which would otherwise have taken HCL about a decade to develop. The customers that we acquired, not just the revenues but the people that came with it... it has taken a couple of years to settle down but, all in all, this strategic investment was required. And I think it will hold us in good stead in future.

ON FILLING SHIV NADAR'S BOOTS

There is no way to fill his boots. That's true, so I prefer to say that I stand on his shoulders. And, it's an honour to be able to do so.

HER EQUATION WITH HCL CEOs

I have been around Shiv, been around all these CEOs at the office literally since I was a kid. So, a lot of my equations with these people are not just professional, but quite personal... They have all seen me growing up, been my mentors and teachers at some point or other.

ON HER MOTHER AND ART

She is amazing... before art came along, bridge was her passion. She started collecting art in the '80s. So, you could say I grew up with HCL on one side and art on the other.

ON JANE GOODALL

She is in her eighties but still such a force. In September, I had the privilege of talking to her on Zoom.... an experience I will never forget.

Q: Let me get back to Shiv for a moment. When he started HCL Tech, and when it started becoming a big company, that was the time when Y2K was happening, such a big tailwind for the entire IT sector. Today, it's all about cloud transformation. Do you think this digital wave or cloud transformation is as big an opportunity or an even bigger tailwind than Y2K might have been in your father's generation?

A: Certainly, and to add, the largest tailwind has sadly been the pandemic, because it has pushed the demand for digitisation that much faster. What would have taken two to three years, happened all of a sudden in the past 15 months. There was a Gartner report that said by 2025, cloud transformation will become the foundation for all intelligent enterprises, not just tech companies. So, I think it is here to stay. It is getting adopted faster and faster. At HCL, we have the HCL Cloud Smart offerings and were one of the first to dedicate units to hyperscalers such as Google, Microsoft and AWS. There is a lot of investment going in there, and not just in opening up business and opportunities. But it is actually about skilling the people who are going to get us to the next step, as eventually it boils down to that—our companies employ lakhs and lakhs of people. So, technology is moving fast and we have to move as fast.

Q: People like Shiv Nadar and Azim Premji are leading lights in the field of philanthropy. Is that something for which your heart beats for as well? Do you see this as a major prerogative?

A: Definitely, Udayan. Shiv Nadar Foundation was founded in 1994. Shiv established the SSN College of Engineering in Chennai. All the rest of the institutions—Shiv Nadar University, Shiv Nadar Schools, VidyaGyan, Kiran Nadar Museum of Art, SHIKSHA [Initiative]—were all established post 2009, after I returned. So, I would like to think it was a joint effort between Shiv, me, Kiran [mother] and Shikhar [Malhotra, her husband]. By March of 2022, we would have spent a billion dollars on our initiatives. We've got 18,000 students in the system at the moment, 21,000 alumni all over the

world doing incredibly well. It is a very different foundation because we are not targeting millions of lives, but are far more focussed. Shiv always feels that he is a product of quality education and in that aspect, there is much left to be desired in our country. The more we can work towards that, the better it is.

Q: You mentioned your mother; tell me more about your equation with her. She has done such a stellar job of the Kiran Nadar Museum. Do you share her interest in art?

A: Oh, she is amazing. She is a national level bridge player, one of the only women in India who plays in the open circuit. In 2018, she was the Asian Games Bronze medallist. Also, a Commonwealth gold medallist. So, before art came along, bridge was her passion. She started collecting art in the 1980s. So, you could say I grew up with HCL on one side and art on the other. Unfortunately, bridge, I didn't pick up, shame on me. But it has been incredible to watch her journey. Today, I think she may be the world's largest collector of Modern- and contemporary Indian Art. So around 2010-11 we thought that everybody has great collections. But the kind of development we see in the American, European, Chinese or Japanese art markets, that kind of development isn't there in India. So, we should build a museum. And, you know we have finally acquired land to build a museum near the Delhi airport and David Adjaye, who built the African-American museum at the Smithsonian, has been selected as the architect. I think it will be India's first private museum of global repute. I hope it will put Indian art on the global map.

Q: What do you look forward to, Roshni? You are barely 40. You are incredibly wealthy and sit at the top of one of India's largest companies. What is really aspirational for you? Where do you see yourself, at 55 or 60?

A: Thanks, but I am 40! For HCL Technologies, definitely, that it continues to grow much bigger, much more dynamic. Maybe that our Products and Platforms business will become as big as the rest of our businesses as well, lots of aspirations there. If I think of VidyaGyan, which is what I drive at the foundation, the bunch of students who are now coming to the workplace, maybe some of them go on to establish their companies and be successful entrepreneurs. Even better, with valuations like our unicorns today! That will make me pretty excited. On conservation, by the time I am 55, through The Habitats Trust, be able to save some species from extinction. I think that would be a great achievement. There are so many elements. Finally, you have to take each day as it comes and just make sure you are more effective than efficient.

"On conservation, by the time I am 55, through The Habitats Trust, [I should] be able to save some species from extinction... The only things we are always running out of are clean air and good earth"

Q: Who are really the people you admire? If you have to look outside the HCL fold and think about some mentors and people who have really inspired you, who would you name?

A: This is a bit out of the box, but one of my role models and one by whom I am really inspired by is the primatologist and anthropologist Jane Goodall. She is in her eighties but still such a force. In September, I had the privilege of talking to her for 25 minutes on Zoom. Just one on one. An experience I will never forget. You know, I met her three years before that in 2018 or '19 at the World Economic Forum. There were all these world leaders but I went up to her and took a photograph. And said I wish I could meet you and talk to you. She agreed. At the end of the day, as people like Jane remind us, the only things we are always running out of are clean air and good earth. BT

SECRET SUPERSTARS

2021 WAS WHEN PAYTM'S IPO WAS OVERSHADOWED BY THAT OF PARAS DEFENCE & SPACE TECHNOLOGIES, AND ZOMATO'S BY LATENT VIEW ANALYTICS. BUT WHAT DREW INVESTORS TO THESE LESSER-KNOWN, AND EVEN UNKNOWN, COMPANIES?

BY **ASHISH RUKHAIYAR**

THE YEAR 2021 was a breakout one for start-ups. The long-awaited market debuts of Paytm-parent One 97 Communications, food delivery company Zomato, and beauty products e-tailer Nykaa captured the imagination and headlines alike.

But savvy investors were eyeing up the initial public offerings (IPOs) of a very different set of firms, far from the spotlight and headlines. These included the likes of Paras Defence & Space Technologies, Latent View Analytics, Tega Industries, MTAR Technologies, Tatva Chintan Pharma Chem and C.E. Info Systems.

Indeed, the IPOs of these relatively lesser-known—or unknown, in some cases—firms were the gems of 2021 in terms of investor response and market returns. Eclipsing even their better-known fellow debutants.

Take, for instance, Paras Defence & Space. The Mumbai-based defence engineering firm's IPO was subscribed nearly 214 times, the most among all issues last year. Similarly, the IPO of Latent View Analytics, a Chennai-based digital analytics firm, was subscribed 185.32 times when it opened in November, according to data from Prime Database, a primary market tracker.

Four other issues were subscribed more than 100 times last year. They were of MapmyIndia-parent C.E. Info Systems; speciality chemicals manufacturer Tatva Chintan Pharma Chem; Tega Industries, whose products are used for mining and mineral processing; and MTAR Technologies, a precision engineering solutions firm. This despite the IPOs of Tega Industries and C.E. Info Systems opening in December, typically a lean month for the market. In terms of investment returns, the top-performing debutant stocks quadrupled in value.

Many companies tapped the equity market in 2021 as investor participation and sentiment were at their peak, say market participants. There was ample demand for good quality fresh paper coming to the markets. And that, the experts add, attracted many companies that were waiting on the sidelines for the right opportunity.

While each year has seen its share of highly subscribed

ILLUSTRATION BY **ANIRBAN GHOSH**

"Call it conjecture or hitting the right number, the new sweet spot is the issue size of ₹500-700 crore"

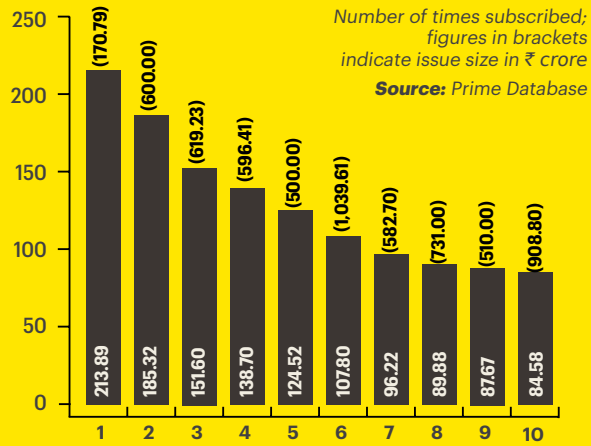
ARUN KEJRIWAL
DIRECTOR, KEJRIWAL RESEARCH & INVESTMENT SERVICES

"IPOs of 2021 were comparatively more oversubscribed when compared to the past cycles due to heightened investor interest and greater liquidity"

PRANAV HALDEA
MANAGING DIRECTOR, PRIME DATABASE

TOP OF THE CHARTS

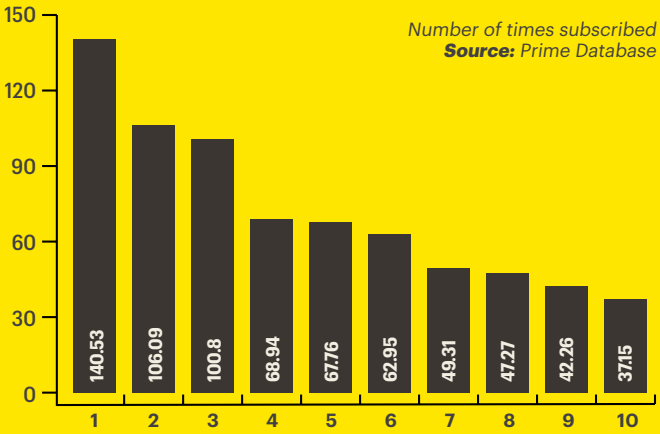
The top 10 IPOs by subscription in 2021



1. PARAS DEFENCE & SPACE TECHNOLOGIES
2. LATENT VIEW ANALYTICS
3. TEGA INDUSTRIES
4. MTAR TECHNOLOGIES
5. TATVA CHINTAN PHARMA CHEM
6. C.E. INFO SYSTEMS
7. NAZARA TECHNOLOGIES
8. ROLEX RINGS
9. EASY TRIP PLANNERS
10. SHYAM METALICS & ENERGY

RETAIL LOVE

The top 10 IPOs with the highest retail subscription in 2021



1. NURECA
2. LATENT VIEW ANALYTICS
3. PARAS DEFENCE & SPACE TECHNOLOGIES
4. SIGACHI INDUSTRIES
5. NAZARA TECHNOLOGIES
6. EASY TRIP PLANNERS
7. SUPRIYA LIFESCIENCE
8. HP ADHESIVES
9. GO FASHION (INDIA)
10. KRSNAA DIAGNOSTICS

GRAPHICS BY **RAHUL SHARMA**

IPOs, 2021 was an outlier, says Pranav Haldea, Managing Director, Prime Database. "The IPOs were comparatively more oversubscribed when compared to the past cycles due to heightened investor interest and greater liquidity. There was a huge inflow from retail investors plus there was a lot of liquidity from institutional investors also. The stock market is one place where the interest level goes up when the prices go up, which is generally not the case with any other commodity, if we may call it that."

But why did investors flock to the lesser-known names? Haldea believes this was due to a combination of two critical factors—the size and quality of the IPO.

SMALL IS BEAUTIFUL

"Issue size of some of the highest subscribed issues was much smaller. But it is not that just because it is a relatively smaller issue, it will get heavily subscribed. A bad company or an overvalued one will still not get subscribed. So, these were small issues and at the same time, well-priced ones too backed by good fundamentals," says Haldea.

Paras Defence & Space raised ₹171 crore through its IPO. That's meagre compared with the ₹18,300 crore that One 97 raised and the ₹9,375 crore Zomato raised. Similarly, Latent View Analytics, Tega Industries and MTAR Technologies raised between ₹595 crore and ₹620 crore.

The common thread is that all these issue sizes are within "the new sweet spot" of ₹500-700 crore, says Arun Kejriwal of Kejriwal Research & Investment Services. "Call it conjecture or hitting the right number, almost all issues that have done very well are in this category," he says. "Driving this success is new businesses, whether they are from defence, space, technology platforms or even consumer-oriented businesses. The marketing of these issues helped in reaping success for all stakeholders."

Indeed, even some digital-first companies fared well. The IPO of online travel company Easy Trip Planners, which raised ₹510 crore, was subscribed nearly 88 times, while that of mobile games maker Nazara Technologies, which raised ₹583 crore, was subscribed 96.22 times.

Smriti Tomar, Co-founder of Stack, a personal finance app for millennials, points out an interesting trend that has been playing out. "While in the overall economy big companies are doing fairly well, in the primary market, the performance has lately been inverse, with smaller companies like Tega Industries stealing the show with higher subscription and also showing listing day gains much higher than what was expected of them." But while the companies may have been small, it was the large influx of retail investors that also helped the IPO market pop.

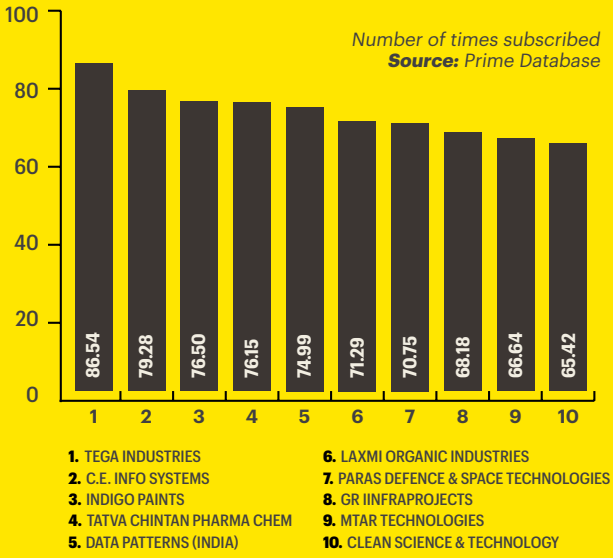
RISE OF RETAIL

More than a million new investor accounts were created each month last year, according to National Stock Exchange data. In all, a record 15.8 million new accounts were registered between January and November.

"2021 was the year that witnessed a massive addition in the number of Demat accounts and the emergence of risk-taking retail investors as equity markets put up a brilliant show," says wealth manager and angel investor Deepak Ahuja. And these investors knew what they were looking for. "The majority of retail investors still look for strong metrics such as bottom line, sound financials, the histori-

THE QIB FAVOURITES

The top 10 IPOs with the highest QIB subscription in 2021



RETURNS ROSTER

Issues which gave the best returns in 2021

COMPANY	ISSUE PRICE	MARKET PRICE*	% CHANGE
NURECA	400.00	1,876.10	369.03
PARAS DEFENCE & SPACE TECHNOLOGIES LTD.	175.00	730.50	317.43
MTAR TECHNOLOGIES LTD.	575.00	2,345.90	307.98
LAXMI ORGANIC INDUSTRIES LTD.	130.00	469.35	261.04
CLEAN SCIENCE & TECHNOLOGY LTD.	900.00	2,534.00	181.56

**As on January 17*

Source: *Prime Database; exchanges*

cal growth of the business, utilisation of capital, and an overall long-term vision. This is also why the market witnessed a massive oversubscription of smaller IPOs with strong business metrics," explains Ahuja.

The effect of retail investors was corroborated by the fact that the retail category of three IPOs was subscribed more than 100 times (see *Retail Love*). "The unprecedented liquidity levels backed by a record number of new investors form the desired depth and breadth of the Indian capital market," says Mahavir Lunawat, Founder, Pantomath Capital, a top mid-market investment banking firm.

However, not everyone agrees on the correlation between record new investors and subscription numbers. "While the peak number witnessed on subscription during the year was around 3.5-3.7 million, the average number has been closer to 1.8-2 million. This average number is not very significantly higher than the average in the previous years," says Kejriwal.

What's irrefutable is that domestic institutional investors (DIIs) and retail individuals kept liquidity flush last year. Stock exchange data shows that DIIs were net buyers for the ninth month in a row last December. Foreign portfolio investors, on the other hand, were subdued, with their net purchases of nearly $3.8 billion in 2021 well below the $23 billion in 2020.

SMALL SIZE, BIG RETURNS

Stock market investors reaped strong gains in 2021. The benchmark Sensex gained 10,503 points, or nearly 22 per cent, last year and was among the best-performing of all leading equity indices globally. But it was a mega year for IPO investors as well, especially for those that put money in the smaller issuances. Just look at the returns.

Take Paras Defence & Space, for example. The stock opened at ₹475 on October 1, as much as 171 per cent higher than its issue price of ₹175. It rocketed to close at ₹730.50 on January 17, over 317 per cent, or four times, its issue price. Similarly, MTAR Technologies has also soared more than 300 per cent since its listing in March 2021.

But the best-performing debutant of 2021 is the one that raised the least—Nureca. The healthcare company raised a mere ₹100 crore, but its stock has risen around 400 per cent since its debut in February last year.

In fact, the top-performing IPOs of 2021 were those of firms with relatively small issue sizes. In stark contrast, companies that boasted of the biggest IPOs—One 97 and Star Health & Allied Insurance—are trading below their issue price as of January 17. In fact, of 2021's top 10 IPOs by issue size, shares of seven companies are currently below their respective issue prices. Retail investors, ideally, would want to stay away from such loss-making firms as they would from those that have a huge debt load or no tangible product, says Ahuja.

It's clear that when it comes to attracting investor attention, business fundamentals and strong metrics will continue to be far more crucial than a brand name or headline-grabbing actions. That's some food for thought as you decide on whether to invest in the IPO of a BYJU'S or an Ola or OYO this year or back the likes of a Penna Cement, Chemspec Chemicals or Popular Vehicles and Services. BT

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POTENTIAL STARS

SOME OF THE COMPANIES WHICH ARE GOING IN FOR AN IPO THIS YEAR AND THE ONES LIKELY TO BE WINNERS

BY **ASHISH RUKHAIYAR**

INFOGRAPHIC BY **RAHUL SHARMA**

The current calendar year promises to be as exciting—if not more—than the last one as far as the primary market goes. Reason: There are enough IPOs in the pipeline to keep investors busy and the eclectic mix is only going to get better. There are over 40 companies with all regulatory approvals in place and another 40 who are in queue to get the nod from regulator Securities and Exchange Board of India (SEBI)—a company can launch its IPO within a year from the date of SEBI's approval. Start-ups will once again vie for investor attention as online majors like MobiKwik, ixigo, OYO, Delhivery, PharmEasy, Droom and Snapdeal are expected to launch their IPOs this year. Traditional sectors like financial services, banking, information technology, chemicals and healthcare will also be adequately represented in 2022. Here are some of the high-profile public offerings expected this year. The IPO of LIC—which has already earned the sobriquet of 'mother of all public issues'—is missing from the list since it is yet to file its draft document with SEBI. Ditto for NSE and BYJU'S.

NAME: Adani Wilmar
ISSUE SIZE: ₹4,500 crore
INDUSTRY: FMCG
DATE OF SEBI APPROVAL: October 14, 2021
BASE: Ahmedabad

TOTAL INCOME
FY19: ₹28,919.7 crore
FY20: ₹29,766.9 crore
FY21: ₹37,195.7 crore

NET PROFIT/LOSS
FY19: ₹375.52 crore
FY20: ₹460.87 crore
FY21: ₹727.65 crore

NAME: Go Airlines (India)
ISSUE SIZE: ₹3,600 crore
INDUSTRY: Aviation
DATE OF SEBI APPROVAL: August 26, 2021
BASE: Mumbai

TOTAL INCOME
FY19: ₹5,936.75 crore; **FY20:** ₹7,258.01 crore; **FY21:** ₹2,327.46 crore

NET PROFIT/LOSS
FY19: (-₹386.6 crore); **FY20:** (-₹1,270.74 crore); **FY21:** (-₹870.16 crore)

NAME: India1 Payments
ISSUE SIZE: ₹2,000 crore
INDUSTRY: Financial services
DATE OF SEBI APPROVAL: November 24, 2021
BASE: Bengaluru

TOTAL INCOME
FY19: ₹229.28 crore
FY20: ₹256.06 crore
FY21: ₹317.6 crore

NET PROFIT/LOSS
FY19: (-₹24.18 crore)
FY20: (-₹5.87 crore)
FY21: ₹3.34 crore

NAME: One MobiKwik Systems
ISSUE SIZE: ₹1,900 crore
INDUSTRY: Digital payments provider
DATE OF SEBI APPROVAL: October 7, 2021
BASE: Gurugram

TOTAL INCOME
FY19: ₹148.5 crore
FY20: ₹355.68 crore
FY21: ₹288.57 crore

NET PROFIT/LOSS
FY19: (-₹147.97 crore)
FY20: (-₹99.92 crore)
FY21: (-₹111.3 crore)

NAME: Le Travenues Technology (ixigo)
ISSUE SIZE: ₹1,600 crore
INDUSTRY: Online travel portal
DATE OF SEBI APPROVAL: December 16, 2021
BASE: Gurugram

TOTAL INCOME
FY19: ₹42.65 crore
FY20: ₹112.96 crore
FY21: ₹138.41 crore

NET PROFIT/LOSS
FY19: (-₹57.35 crore)
FY20: (-₹26.61 crore)
FY21): ₹7.53 crore

NAME: Oravel Stays (OYO)
ISSUE SIZE: ₹8,430 crore
INDUSTRY: Hospitality
DATE OF SEBI APPROVAL: Awaited
BASE: Gurugram

TOTAL INCOME
FY19: ₹6,329.74 crore
FY20: ₹13,168.15 crore
FY21: ₹3,961.65 crore

NET PROFIT/LOSS
FY19: (-₹2,364.53 crore)
FY20: (-₹13,122.78 crore)
FY21): (-₹3,943.84 crore)

NAME: Aadhar Housing Finance
ISSUE SIZE: ₹7,300 crore
INDUSTRY: Housing finance
DATE OF SEBI APPROVAL: Awaited
BASE: Mumbai

TOTAL INCOME
FY19: ₹1,265.63 crore
FY20: ₹1,388.46 crore
1HFY21: ₹748.35 crore

NET PROFIT/LOSS
FY19: ₹161.88 crore
FY20: ₹189.38 crore
1HFY21: ₹156.37 crore

NAME: Delhivery
ISSUE SIZE: ₹7,460 crore
INDUSTRY: Logistics /Supply chain
DATE OF SEBI APPROVAL: January 13, 2022
BASE: Gurugram

TOTAL INCOME
FY19: ₹1,694.87 crore
FY20: ₹2,988.63 crore
FY21: ₹3,838.29 crore

NET PROFIT/LOSS
FY19: (-₹1,783.30 crore)**FY20:** (-₹268.93 crore)
FY21: (-₹415.74 crore)

Source: DRHPs, Prime Database

THE GOOD LIFE

TRENDS | TECH TONIC | DOWNTIME

The men's grooming market in India is projected to cross $1.2 billion by 2024

THE BEST A MAN CAN GET

From iridium razors to badger hair shaving brushes, there's a whole lot out there for a truly luxurious grooming ritual

BY **SMITA TRIPATHI**

IT'S OFFICIAL. Men are paying more attention to personal grooming. Gone are the days when they used the same creams and shampoos that were being used by the rest of the family. There are now a host of products that cater to men specifically keeping in mind their skin type, hair texture and even their preference for fragrance. Little wonder, the men's grooming market in India is projected to grow at a CAGR of over 11 per cent to cross $1.2 billion by 2024, from $643 million in 2018 as per Research and Markets. However, this is a fraction of the global male grooming market that is projected to reach around $81.2 billion by 2024.

From oils and waxes for beards to cologne soaps and face washes, men are investing in the best grooming products. This has not only sprouted dozens of new, high-quality grooming brands for men but also made global luxury skincare brands launch products specifically for them. "Men are now more aware and keen to use products that cater to their needs. They no longer want generic products," says Bhisham Bhateja, Co-founder of The Man Company, a men's grooming essentials brand.

Facial Hair: To Have or Not to Have

No matter which side of the debate you are on, there are a series of luxurious products for you to use. If you are the kind who prefers a close

1.

2.

3.

4.

shave to a well-trimmed beard, the first thing in your arsenal has to be a razor. A few years ago, Zafirro, a small US-based company, created waves by launching the Zafirro Iridium limited edition razor priced at $100,000—making it the world's most expensive razor. What makes it special? The razor handle centrepiece is 99.95 per cent pure iridium, the strongest and densest functional metal on the planet, mainly derived from meteorites. The blades are pure sapphire while the screws are platinum making them hypoallergenic, impervious to oxidation and corrosion. You get 20 years of complimentary blades and servicing. While there are only 99 pieces of the Iridium, there are 500 pieces of the Zafirro Gold, where the centrepiece is made of 18k gold. It's priced at $18,000.

The next thing in your shaving kit has to be a shaving brush. While those looking for a wallet-friendly solution should stick to synthetic, it is the silvertip badger bristles which are the most coveted. Shaving brush handles are available in eco-friendly bamboo to exotic woods and even porcelain. Germany-based MÜHLE specialises in hand-made shaving brushes and razors made with oak, porcelain and sterling silver. Each of these unique pieces is made to order and delivered with an illustrated booklet in a presentation box. The porcelain and silver shaving brush with silvertip badger hair is priced upwards of €600 and can be customised with your initials.

If you prefer facial hair, there is a lot more work and therefore a lot more products. A well-manicured beard doesn't grow itself. It requires the right tools and products like beard oils, shampoos and trimmers. In case of a trimmer, do consider its efficiency and precision that is how quickly the blades can mow through your beard, also how long the charge lasts. From Bevel to Philips to Remington, there are several choices. Beard oil is essential to nourish and moisturise the beard as well as the skin underneath the beard. Check out Tom Ford's beard oil that comes in three different scents including Oud Wood. Truefitt & Hill has a whole range of non-synthetic and paraben-free products. Beardo has a daily repair hemp beard oil.

Glowing Skin: Not Just for Women

Whether you're looking to reduce signs of ageing, curb an acne breakout, or just relax after a long day, face masks are great to have. They are like a spa for your skin. They heal, hydrate and nourish your skin and treat damaged cells. You can

1. **A MÜHLE shaving brush with badger bristles**

2. **Kiehl's Age Defender Power Serum has linseed extracts**

3. **The Cade Revitalising Cream by L'Occitane is immediately absorbed by the skin**

4. **The Zafirro Iridium shaving razor is the world's most expensive one at $100,000**

use application masks, sheet masks or peel-off masks. From 24k gold to caviar masks, there are several that cater to both genders. But check out masks by Korean company Jaxon Lane. Called Bro Mask, these are sized for a man's face. Also they come in two parts so even men with beards can use them easily.

Charcoal has recently blown up in the skincare world. Charcoal's secret is that it absorbs oil and pore-clogging pollutants instead of just scrubbing, leaving your face cleaner and less irritated (plus, it's completely natural). The Man Company was the first to launch a series of products using charcoal a couple of years back and saw a huge surge. All 7-8 products in the category did very well. "Charcoal is perceived as a very manly ingredient plus it is a great cleansing agent," says Bhateja.

A great moisturiser is a must for every man, irrespective of the skin type. In case of dry skin, it quenches it and in case of oily skin, it helps as when the skin is dehydrated, it over-compensates by secreting oil. For US-based skincare brand Kiehl's, the Facial Fuel moisturiser is their most popular men's grooming product. "The longevity of the hydration provided by the product makes it so popular," says Shikhee Agarwal, AVP, Kiehl's India. She also recommends the oil-eliminator 24-hour anti-shine moisturiser for men. "We have used space technology to develop this product. It contains Aerolite which absorbs excess oil throughout the day and helps keep oily skin matte," she says. Kiehl's Age Defender Collection is also popular. The Age Defender Power Serum is priced at ₹3,850 (for 75ml) and has linseed extracts and various minerals adding to its age-defying formula.

In January last year, French luxury skincare brand L'Occitane relaunched an extensive range of men's products because of increased demand. Check out the Cade Revitalising Cream that is immediately absorbed by the skin without shine or stickiness. At ₹4,400 for 50ml, it helps regenerate and firm skin and also hydrates and nourishes it. Debabani Mitter, National Trainer, L'Occitane India, recommends it to be applied both morning and evening, especially after a shave. Mitter says L'Occitane's most popular product is the Immortelle Reset Serum with a bottle sold every minute worldwide. The serum, which is priced at ₹4,950 for 30ml, is rich in anti-oxidants and provides defence against sensitivity, dullness and fatigue. It is gender neutral. BT

@smitabw

THE 2022 CES WISH LIST

BY **NIDHI SINGAL**

From those that will soon see the light of day to early-stage prototypes, here are some of the interesting products announced at the Consumer Electronics Show in Las Vegas that you should keep an eye on.

NOT JUST ANY PROJECTOR

The Freestyle is a one-of-a-kind portable projector. Unlike traditional box-shaped projectors, the cradle of the Freestyle allows rotation of up to 180 degrees, to project up to a 100-inch high-quality video almost anywhere—tables, floors, walls or even ceilings—with no separate screen required. To provide a proportional image every time, it comes equipped with technology such as automatic screen adjustment to any surface at any angle, full-auto keystone, auto levelling and autofocus. Its features include built-in streaming services, mirroring and casting with both Android and iOS devices, and far-field voice control for hands-free operation. Weighing a tad over 830 gm, it features a dual passive radiator for deep bass and has 360-degree sound radiation for an immersive experience. It can work off batteries or be connected to a light bulb socket, and can work as a smart speaker and ambient lighting device when not being used as a projector.

Available on: *samsung.com*

SAMSUNG FREESTYLE

$899.99 (~₹70,000 + duties and taxes)

THIS UNIQUE PROJECTOR CAN BE PRE-BOOKED NOW

Ring of Life

Unlike fitness bands and smartwatches, the Movano Ring is a compact smart ring designed to provide the most accurate data on sleep, heart rate, heart rate variability, body temperature and more. It pairs with an app that captures the body's signals and transforms them into insights. Movano says it delves deep—beyond graphs, charts, percentages—to provide accessible, actionable information to help make small changes that may make a big impact on short- and long-term health. The company also wants to include blood glucose and blood pressure monitoring in a future iteration of the ring. Likely to be priced less than $299 when it launches later this year, it will be available in four styles—gold, silver, black and copper.

To be available later this year on *movano.com*

MOVANO RING

Price yet to be announced

IT WILL UNOBTRUSIVELY MONITOR YOUR VITALS AND PROVIDE YOU WITH INSIGHTS

VR at its Lightest

Heavy VR headsets continue to be a pain point. Panasonic brings you some relief with the MeganeX, an ultra-light and ultra-compact headset compatible with SteamVR. Weighing 250 gm, it has a foldable frame with built-in speakers. Panasonic claims the MeganeX supports the world's highest level of image representation with the ability to project 5.2K 10-bit HDR images at a refresh rate of up to 120Hz. It supports 6DoF head tracking and most SteamVR apps.

To be available later this year on: *na.panasonic.com*

PANASONIC MEGANEX

Price yet to be announced

THIS LIGHTWEIGHT VR HEADSET CAN BE FOLDED AND EASILY CARRIED AROUND

Multi-Screen Affair

The world's first foldable OLED laptop comes with a 17.3-inch 2.5K touchscreen that folds down the middle to create two seamless 12.5-inch Full HD screens. It can be used in multiple modes, and the screen can be divided into multiple windows using the windows-management feature. It also has features like user-presence detection and an integrated colour sensor.

ASUS ZENBOOK 17 FOLD OLED

Price yet to be announced

THE LAPTOP IS POWERED BY THE 12TH GENERATION INTEL CORE i7 U-SERIES PROCESSOR

Available later this year on: *asus.com*

GARDEN IN A BOX

Grow fresh veggies in a box called Tiiun, an indoor gardening appliance from LG. 'Tiiun', which means 'to sprout' in Korean, also helps you grow herbs and flowers throughout the year—thanks to a flexible weather control system that automatically adjusts the internal temperature for optimal plant growth. It features two shelves, each of which can hold up to six seed packages along with three different kinds of seed kits. It can be used to grow a variety of greens simultaneously.

Available in South Korea on: *lge.co.kr*

LG TIIUN

~₹1 lakh

THE INDOOR GARDEN GIVES YOU A TASTE OF HOME-GROWN GOODNESS IN ONLY FOUR-EIGHT WEEKS

TAKING ON TESLA

Move over, Tesla. Merc's prototype, the Vision EQXX, claims a range of more than 1,000 km on a single charge, or less than 10 kWh of energy per 100 km. This is due in part to the design and aerodynamics. Mercedes-Benz has also significantly improved the energy density of the battery to 200 Wh/kg, which enables it to store 100 kWh. The system draws additional energy from solar cells on the roof to add up to 25 km of range on a single day in ideal conditions.

Availability: ***Not yet commercially launched***

MERCEDES-BENZ VISION EQXX

Still a prototype

THIS ELECTRIC VEHICLE PROMISES A RANGE OF 1,000 KM ON A SINGLE CHARGE

THE RECORD COLLECTOR

Mirae's Swarup Mohanty listens to everything from Tina Turner to R.D. Burman and Jagjit Singh, but only on his LPs

BY **ASHISH RUKHAIYAR**

A few weeks ago, Mirae Asset Investment Managers (India) saw its assets under management (AUM) cross the ₹1-lakh crore mark. That makes Swarup Mohanty, the CEO of the mutual fund house, a very busy man. But that has not stopped Mohanty from focussing on his long-playing (LP) records, which he listens to almost every day. He has nearly 1,000 LPs at his home in Mumbai—he recently shifted to a bigger place that can accommodate his LP collection.

"If I play the same song on my LP and on the digital player, the digital player will be spotless, clean music. It seems almost filtered to me. In the LP, there is the vibration, the echo, the basic nuances that are captured. It is the closest one can get to live music," says Mohanty.

What Mohanty—a third-generation LP aficionado—has in Mumbai is just part of his full collection; the rest of it is stored at his ancestral places in Jamshedpur and Bhubaneswar. "My grandfather was a fan of S.D. Burman, while my father mostly listened to Mohammed Rafi and Kalyanji-Anandji. I am more of an R.D. Burman and Kishore Kumar fan," says Mohanty, adding that since he

PHOTOGRAPH BY **MANDAR DEODHAR**

PLAY ON Mohanty shifted to a bigger place in Mumbai to accommodate his record collection

loves *ghazals*, he listens to a lot of Jagjit Singh.

Mohanty, who has started experimenting with jazz and blues, says for many, their taste in music develops during their school and college days. "I got exposed to a lot of western music. So it's the '70s, '80s and '90s for me—from Bruce Springsteen to Sting, Tina Turner to Madonna—what is called retro now. I am the king of retro," chuckles Mohanty, challenging any DJ in the country to match his retro collection.

Sourcing an LP in India is no easy task. "We are a tribe," he says, adding that there is a growing community

> **"I got exposed to a lot of western music... from Bruce Springsteen to Sting, Tina Turner to Madonna... I am the king of retro"**

of LP collectors, sellers and resellers who stay in touch. Mohanty is in touch with nearly 15 sellers from across India. "I have a wish list with all of them."

While an LP may cost anything in the range of ₹1,400-1,500, if it is a rare one, then it is a seller's market and can command a price of up to ₹40,000, says Mohanty.

"Delhi, Kolkata, Mumbai, Chennai are good hunting grounds for LP lovers. Pune is also fast becoming one. In many foreign countries, LPs are making a strong comeback though the trend is only starting to pick up in India," he says. "There is a world out there of LP aficionados like myself," says Mohanty, revealing that he recently bought a large collection from Bengaluru after the owner passed on. One thing's for sure: Mohanty has great taste—in investments and in records. BT

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NOTES FROM UNDERWATER

For Randstad India's P.S. Viswanath, scuba diving offers thrills, fears, fascinating views and leadership lessons

BY **VIDYA S.**

DEEP-SEA LESSONS The MD & CEO of Randstad India says scuba diving takes him outside his comfort zone but gives him the thrills

The skies are covered for recruitment firm Randstad India's MD & CEO P.S. Viswanath. "We spend so much time flying because of work, either travelling internationally or to the corners of India."

Land is taken care of, too, because he lives on Planet Earth, of course. "But my passion is to experience the underwater. That's how it started," he says, referring to his scuba diving trips. The hiring expert took his first dive in 2016 in the Andaman Islands. It was an experience he found so "amazing" that he decided he would like to take out at least a week every year to swim among the fishes. The resolution took him to Murdeshwar in coastal Karnataka in 2017 and 2019.

> **VISWANATH TOOK HIS FIRST DIVE IN 2016 IN THE ANDAMANS. HE FOUND IT SO "AMAZING" THAT HE DECIDED TO TAKE OUT A WEEK EVERY YEAR FOR IT**

"It's about cherishing that moment when you see underwater creatures. The marine life is fascinating." It's also a test of endurance and perseverance for him. "You are thrown outside your comfort zone, relying on the oxygen canister strapped to your back. It gives you thrills as well as fears." There is an instructor with you always, of course, he adds. But you only have your fingers and hands to communicate with—a great leadership lesson, he points out.

"Communication is not just verbal, but it also has to do with your body language." It's these things that interest him the most about scuba diving, apart from the beauty and mystique the underwater world presents, he says. But Covid-19 has played spoilsport to his resolution of taking annual scuba diving trips.

Vishy, as he's called fondly, has also had his heart set on getting certified. But he confesses he's not been able to set aside that kind of time amidst his work and other priorities. Hunting for learnings in the deep sea will have to wait for the time being as Vishy is busy talent hunting for organisations on a hiring spree in a buzzing job market. BT

@SaysVidya

The Best Advice I Ever Got

VIGHNESH SHAHANE | MD & CEO | AGEAS FEDERAL LIFE INSURANCE

Ageas Federal Life Insurance is a joint venture between Ageas of Europe, Federal Bank and IDBI Bank

'Control the controllables and keep the noise out'

What was the problem you were grappling with?

At Ageas Federal, we have gone through a relatively challenging time in the past six to seven years. The first few years were because of uncertainty in the company shareholding and the past couple of years, due to Covid-19.

Whom did you approach for advice and why?

During the first few years when the company was going through a period of uncertainty, I was extremely disturbed, and it was evident to people at home. At that time my father was suffering from Parkinson's and was bed-ridden. Despite his illness, he called me to his bedside and asked me why I was so troubled.

What was the advice you received?

My father told me two things I will never forget: (i) Never waste a good crisis, and (ii) Control the controllables and keep the noise out. After hearing this, I was ready to face the challenges being thrown at me.

How effective was it in resolving the problem?

This advice, along with a lot of hard work put in by the team, enabled us to demonstrate good performance on various industry parameters. We have consistently been declaring profits for nine consecutive years and are in the top quartile of all persistency buckets. We were the first new-age life insurance firm to wipe out all accumulated losses and declare dividend. Our unconventional marketing strategy focussing on sports and fitness has helped us to differentiate ourselves. We also pride ourselves on our people practices that have led to us being recognised by the Great Place to Work Institute as one of India's best workplaces in the insurance sector. BT

—ALOKESH BHATTACHARYYA

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