

IN BRIEF

**HCL Technologies rolls out Cybersecurity centre**

BENGALURU
HCL Technologies has launched a CyberSecurity Fusion Center (CSFC) in Texas to provide customers single point of contact for the enterprise security life cycle, from detection to remediation. In today's digital age, technology requires fast and comprehensive IT security and the CSFC comes with 20 years of security and engineering experience, drawn from over 3,500 certified analysts.

Ujjivan SFB to invest in IoT to cover rural masses

CHENNAI
Ujjivan Small Finance Bank will be investing heavily in Internet of Things (IoT) to offer products for the mass rural banking segment, said a top official. "Our new offering will come with voice and facial recognition," said Sanjay Kao, chief business officer, Ujjivan Small Finance Bank Ltd. "As banks and financial institutions are going in for newer technology, we have to keep pace with that," he said.

Carborundum Universal Q4 net rises by 9.84%

CHENNAI
Carborundum Universal Ltd., (CUMI), a Murugappa group company, has reported a 9.84% growth in its standalone net profit for the fourth quarter ended March 2019 to ₹23.10 crore from ₹21.03 crore in the corresponding quarter of the previous year, due to increase in sales volume. Gross sales improved by 1.9% to ₹447.62 crore. The board recommended a final dividend of ₹1.25 per share.

Easier eligibility norms sought for F&O stocks

Tightened criteria a body blow to segment as huge number of stocks may fail to comply: brokers' body

ASHISH RUKHAIYAR
MUMBAI

Market participants, stock brokers in particular, are knocking on the capital markets regulator's doors to ease the eligibility criteria for stocks to remain in the derivatives arena, especially after the recent removal of more than 30 stocks from the segment.

The Association of National Exchanges Members of India (ANMI), an umbrella body of stock brokers, has written to the Securities and Exchange Board of India (SEBI), highlighting the fact that since the regulator had already taken the step towards physical settlement, eligibility criteria could be eased so that both cash and derivatives segments benefit from better liquidity, lower impact cost and more efficient



Rule book: Post the introduction of the physical settlement mechanism, 34 F&O stocks are to be removed. • REUTERS

price discovery. The move assumes significance since early this week the stock exchanges released a list of 34 stocks that would be removed from the futures and options (F&O) segment for failing to fulfil the eligibility criteria as laid down by SEBI, post the introduction of the

physical settlement mechanism.

Further, the 34 stocks that have been excluded comprise 21 such stocks that were part of the first batch subjected to compulsory delivery in the F&O segment.

The broker body is of the view that while the physical

settlement mechanism is a good move by SEBI, the tightened eligibility criteria has come as a body blow to the F&O segment as a large number of stocks are expected to fail to comply.

'Not fostering growth'

"Instead of fostering growth of the markets and integrating the cash and F&O segments, SEBI has enhanced eligibility requirements for entry into F&O segment under the physical delivery regime," Rajesh Baheti, director, ANMI, said. "This is becoming a self-fulfilling prophecy of lower volumes driving spreads higher which, in turn, results in many stocks not fulfilling the new eligibility criteria and being shunted out of the F&O segment," he added. There have been at least two instances when

ANMI wrote to SEBI, highlighting the fact that the new norms are detrimental to the growth of both cash and derivatives segments.

In May 2018, an ANMI letter to SEBI had stated that the tightened eligibility norms "would not only reduce hedging opportunities for investors, but also result in lower volumes and liquidity for such stocks once they are out of the derivatives segment", adding that it would be 'highly detrimental' for all sections of market participants.

Incidentally, SEBI's own analysis at the time of introducing physical settlement had estimated that eventually one-third of all F&O stocks - 69 to be precise - would exit from the derivatives segment after failing to meet the new eligibility criteria.

Japan's Yanmar, Nissei to set up units in Chennai

Anchor investors in Ponneri cluster

SPECIAL CORRESPONDENT
CHENNAI

Yanmar Group and Nissei Electric of Japan will set up their first manufacturing facilities at Origins, an industrial cluster promoted by Mahindra World City at Ponneri, near here.

Yanmar Group will be investing ₹500 crore in different phases, over a period of four years. Civil work has already commenced. Commercial production is expected to begin by April 2020.

Nissei Electric is in the process of getting various approvals.

The first phase of the industrial cluster was inaugurated on Friday.

"Yanmar and Nissei are the first anchor investors for our industrial cluster. Yanmar is a manufacturer of diesel engines. Nissei Electric manufactures optical fibre products and electrical components," Sangeeta Prasad, MD and CEO, Mahindra Lifespace Developer Ltd., said.

Origins, a 60:40 joint venture between Mahindra World City Developers and Sumitomo Corporation of Japan, will be spread across 300 acres in the first phase. Both partners have committed to invest ₹1,000 crore.

"Origins is expected to attract investments of up to ₹3,500 crore when fully operational," she said.

IRDAI forms panel to review microinsurance framework

To suggest ways to boost demand for insurance products

N. RAVI KUMAR
HYDERABAD

The Insurance Regulatory and Development Authority of India (IRDAI) has set up a committee to review the regulatory framework on microinsurance and recommend measures to increase the demand for such products.

Comprising officials of the IRDAI, insurers and NGOs, the committee has been formed in the backdrop of a less-than-desired offtake of microinsurance products despite their inherent benefits. With IRDAI Executive Director Suresh Mathur as the chairman, the 13-member

panel has been tasked with suggesting product designs with customer-friendly underwriting, including easy premium payment methods and simple claims settlement procedures.

Panel representatives

The committee has representatives from life, general and health insurance companies in the public and private sectors. A circular from IRDAI said India was seen to be a very exciting market and a pioneer in the microinsurance sector in the world. Specifically intended for the protection of low-income people, with afford-

able insurance products, microinsurance promises to support sustainable livelihoods of the poor. However, its market penetration remains low.

While reviewing the regulatory framework on microinsurance in the country and abroad, the committee will suggest changes in the distribution structure, if any, including mobile-based and technology driven solutions. Setting a three month timeframe for submission of the recommendations, the circular said the committee would also suggest creating effective awareness programmes.



Numbers speak: Share of technology patents has increased to 64.8% in 2017-18 from 51% in 2015. • GETTY IMAGES/ISTOCK

Share of tech patents on the rise in IP filings

AI fastest growing area, says NASSCOM

SPECIAL CORRESPONDENT
BENGALURU

India-domiciled companies filed over 4,600 patents in the U.S. between 2015 and 2018, of which a majority were from the technology domain, with artificial intelligence (AI) being the fastest growing area followed by Internet of Things (IoT).

As per a National Association of Software and Services Companies report released on Friday, the share of technology patents has consistently increased to 64.8% in 2017-18 from 51% in 2015.

The portion of emerging technologies has increased consistently to 56.3% in 2017-18 from 38.3% in 2015, while the share of computer and communication technology patents witnessed a decline.

Artificial intelligence leads the emerging technologies patent race, both in terms of total number of patents (330 patents filed) as well as growth over the period 2015-18.

Apart from AI, there has been consistent growth on building IP in other emerging tech domains, with patents filed in cyber security (193), IoT (107) and cloud computing (88) accounting

for over 50% of the tech patents filed in 2017/18, said the report titled 'Emerging Technologies: Leading the next wave of IP Creation for India'.

Between 2015 and 2018, start-ups in the country have filed around 200 patents in the U.S., a majority of which focused on emerging technology areas including Image Processing, AI, Cyber Security, Vehicle Technology and IoT, the report said.

'Innovation the key'

Debjani Ghosh, President, NASSCOM said, "It has been phenomenal to witness the advancements and technological innovation and human intellect with the volume of patents being recorded over the years. Innovation is the key to driving transformation and such patents and trademarks are a testimony to this transformational growth. We are confident that we will usher in a new wave of innovation and intelligence in the country."

The study also highlights the patent growth story in newer application areas including digital payments (31), e-commerce (87) and navigation (58).