

IRDAI revises stewardship code for insurers

N. RAVI KUMAR
HYDERABAD

Insurance regulator IRDAI has come up with revised guidelines on the Stewardship Code for Insurers, or the set of guidelines for insurance firms on their engagement with companies in which they have invested.

"All the insurers need to review and update their existing stewardship within three months," IRDAI Member (F&I) Pravin Kumbhe said, issuing the revised guidelines, which, among other aspects, favoured an oversight role for the insurance companies in the investee firms.

"Insurers should have mechanisms for regular monitoring of their investee companies in respect of their performance, leadership effectiveness, succession planning, corporate governance, reporting and other parameters they consider important," the regulator said.

Setting a three-month deadline for the insurers to update their stewardship policy and get the same approved by their board of directors, IRDAI sought to highlight how insurance companies ought to have an active role in the general meetings of investee companies and engage with the management to improve governance.

Eye on better returns

"This will result in informed decisions by the parties and improve the return on investments of insurers, which will ultimately benefit the policyholders," the communication said.

The insurance regulator had issued a code for stewardship in March 2017, which the insurance companies needed to adopt from 2017-18.

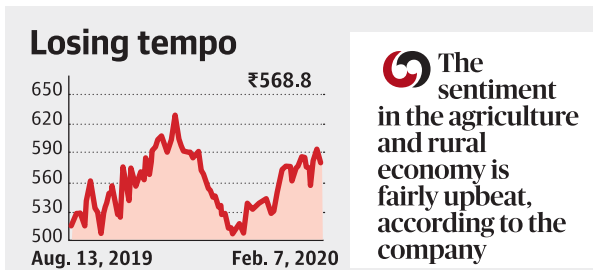
M&M net slumps 73% on sluggish sales

'Good monsoons, festive demand, better liquidity, new launches help moderate de-growth in industry'

SPECIAL CORRESPONDENT
MUMBAI

Mahindra & Mahindra Ltd. (M&M), along with its 100% subsidiary Mahindra Vehicles Manufacturers Ltd. (MVML) reported a 73% decline in net profit at ₹380 crore for the quarter ended December 31, due to sluggish vehicle sales. This compares with a ₹1,396 crore net profit a year earlier.

Revenue declined 6% to ₹12,120 crore. During the quarter, the company sold 1,23,353 units compared with 1,33,508 units in the same period last year, down 7.6%. Tractor sales fell 6.4% to 81,435 units. Exports, including vehicles and tractors, were down 22% to 9,633 units. "The results of Q3 FY2020 include a net loss on account of exceptional and one-off items ₹554 crore



*Includes a net loss due to exceptional and one-off items ₹554 crore, compared with net gain due to exceptional and one-off items of ₹519 crore a year earlier

compared to a net gain on account of exceptional and one-off items of ₹519 crore in Q3 FY2019," the company said in a statement.

The company said that in Q3 FY2020, both the Indian auto and tractor industries had shown signs of trend re-



Anand Mahindra

(UV) segment and special schemes offered by OEMs for the auto industry were the key reasons for this moderation in de-growth," it said.

"The unseasonal rains in the month of October 2019 did cause some damage to the kharif crop, but the sentiment in the agri and rural economy is fairly upbeat with good sowing of rabi crops supported by very good water reservoir levels and the government's announcement for thrust on in-

fra projects," it said. For the quarter ended December, M&M, on a standalone basis, reported revenue of ₹12,345 crore as compared to ₹13,070 crore in the same period last year. Net profit was ₹307 crore compared with ₹1,077 crore a year earlier.

Chairman to continue

The company also said that following the Securities and Exchange Board of India deferring the deadline for compliance with norms relating to the post of chairman, M&M's board had requested Anand Mahindra to continue as executive chairman till his original term of appointment ended on November, 11, 2021. Mr. Mahindra has accepted to the request.

Dr. Pawan Goenka and Dr. Anish Shah would continue to report to Mr. Mahindra.



Higher orders are expected for apparel and made-up exports from India before this fiscal end. •S. SIVA SARAVANAN

Utilise shift in orders from virus-hit China, textile exporters urged

'Importing nations making enquiries'

SPECIAL CORRESPONDENT
COIMBATORE

With several businesses said to be affected in China due to the coronavirus, the Indian textile and clothing sector should seize the opportunity in global trade, T. Rajkumar, chairman of the Confederation of Indian Textile Industry, said.

"We expect China will take 3-4 more months to return to normalcy [following the outbreak of the coronavirus]. Indian textile and clothing exporters should be aggressive and tap overseas orders that will shift from China," he told media-persons here.

Higher orders expected

"We hear that several businesses have been hit in China, especially during the last one week. Indian exporters are beginning to get enquiries from importers in different countries as they cannot source from China now.

"I expect higher orders for apparel and made-up exports from India even before the end of this financial year," he added. Countries such as Bangladesh that are

strong in garment exports may also face challenges as they import raw material. For Indian exporters, the entire textile value chain is available. They should reach out to buyers and tap opportunities, he said.

On the announcements in the Union Budget, Mr. Rajkumar said that abolition of anti-dumping duty on PTA would lead to 20-25% of textile mills switching over to synthetic yarn production from cotton. The anti-dumping duty on PTA was \$26 to \$160 a tonne depending on the country from where it was imported.

With removal of the anti-dumping duty, the raw material for production of MMF (man-made fibre) will be available at international price. At present, cotton yarn production in India is higher than synthetic yarn. Several mills will move to MMF now, he said.

Textile Secretary Ravi Kapoor will visit Coimbatore on February 12-13 and hold meetings with representatives of textile associations from the southern State, Mr. Rajkumar said.

'Economy revival is around the corner'

PSU productivity can zoom 3-fold if govt. lowers stake to 50%: Vedanta's Agarwal

PIYUSH PANDEY
MUMBAI

Even as the country's economy is under pressure amid the slowdown, Vedanta Resources chairman Anil Agarwal believes that a revival is just around the corner.

"The way the government is taking bold decisions, I am confident that the economy will bounce back over the next 12 months. I would urge my fellow countrymen to give this government a chance and let them continue with the good work," Mr. Agarwal said in an interaction with *The Hindu*.

Lauding the government for recognising the role of entrepreneurs in nation building, Mr. Agarwal said that the Union Budget's focus on transparency and reducing tax litigation would go a long way in propelling India to become a \$5 trillion economy.



Anil Agarwal

"The FM has also shown willingness to settle tax disputes and create a conducive environment for business. This move to settle tax disputes will give India a big push with regard to ease of doing business and making it a \$5 trillion economy," Mr. Agarwal said.

He also welcomed the government's thrust on disinvestment, while stressing that public sector companies and banks needed to be run independently for better

productivity.

"There is a lot of value erosion that is happening right now. I am sure that the productivity of these public sector units can increase threefold if they are allowed to function independently. And for this to happen, the government needs to bring down their stake in these companies to 50%," he said.

On the Budget's disinvestment target of ₹2.1 lakh crore, Mr. Agarwal said: "The government is on the right track. They are looking to sell stake in Air India and BPCL. Hindustan Zinc disinvestment is also on the cards."

Stating that the rules of doing business have changed, Mr. Agarwal lauded the government for creating an ecosystem where only sound business ideas become successful today. "India is the largest start-up in

the world, and the focus on transparency is a big boost for the younger generation," he added.

Pitch for oil exploration

Making a strong pitch to boost oil exploration, Mr. Agarwal said: "India has huge oil reserves. Except Cairn, there is no other oil producer in the private sector. We need at least 50 more companies. If any major crisis hits the Gulf, [the country] will have no supply of oil. So, it is important that we produce at least 50% of our oil requirements.

"The government should bring in a regime of self-certification wherein companies can start off with exploration activities once they get the environmental clearance. Also, it is important that explorers get international price for their output," Mr. Agarwal said.

Capacity issues at top airports will continue as flyer count rises

Slowdown, Jet's closure no dampener on air travel: Crisil

LALATENDU MISHRA
MUMBAI

Congestion at India's top four airports Delhi, Mumbai, Bengaluru and Hyderabad will continue in the medium term as the number of air passengers has seen a rise despite the slowdown in the economy and closure of Jet Airways, Crisil Ratings said in a study.

These four airports handle more than half of air passenger traffic in India and currently operate at over 130% of capacity utilisation. With healthy traffic growth projected in the near future, this operating rate is expected to rise further in next 12 months, it said.

This, despite a ₹38,000-

core capex being undertaken by operators between 2020 and 2024. The capex, the highest to be incurred in any continuous five-year period, is largely debt-funded.

"Capacity at these four airports will increase a cumulative 65% to 228 million annually [from 138 million now] by fiscal 2023. However, traffic is expected to grow strong at up to 10% per annum over the same period," Manish Gupta, senior director, Crisil Ratings, said.

"Because the additional capacities will become operational in phases only around fiscal 2023, high passenger growth will add to congestion till then," he added.

High utilisation will ride on pent-up demand (accumulated in 2019 as traffic was impacted with the ground-ing of Jet Airways) and one-off issues with new aircraft of certain airlines. Further impetus will also come from improving connectivity to smaller cities and reducing fare difference between air and rail, Crisil Ratings said.

Ankit Hakhu, director, Crisil Ratings, said: "These airports operate on a hybrid till model, where non-aero revenue stream partially subsidises the airport user fee. Hence rising traffic and increasing monetisation of non-aero assets will pave the way for a more balanced regulatory regime."

'Lamborghini electric cars will take time'

Technology in EVs not evolved yet

SPECIAL CORRESPONDENT
CHENNAI

Luxury carmaker Automobili Lamborghini is not in a hurry to introduce full electric cars globally, said a senior executive.

"Yes, almost all automakers are getting into the electric vehicle space, but for us [that] time is still far away," said Sharad Agarwal, head, Lamborghini India. "The technology in the electric vehicle space has not yet evolved. We have to see whether the car will give the same performance lap after lap."

Mr. Agarwal said that Lamborghini had showcased the vision off utre mobility with the electric version of Terzo Millennio



Sharad Agarwal

in 2017. On the domestic market, he said it was a strategic market for Lamborghini and that it would continue to invest in marketing, networking and after-sales.

While the super luxury segment recorded a contraction in calendar year 2019, Lamborghini posted 18% to 20% growth, he said.

IHCL reposes faith in spiritual tourism for growth

With 35 hotels in holy cities and more on the cards, the Taj Group firm says demand is set to increase

LALATENDU MISHRA
MUMBAI

Having built a portfolio of 35 hotels in cities of religious significance and with more hotels in the pipeline, Tata Group's Indian Hotel Company Ltd. (IHCL), which runs Taj hotels, among other brands, has identified spiritual tourism as a thrust area to grow its business.

Since spiritual tourism in India accounts for 60% of the total domestic tourism, IHCL has set up hotels at key locations like Tirupati, Varanasi, Amritsar, Madurai and Rishikesh, to name a few.

With this, Taj Hotels is well-positioned to capture the demand at these key spiritual destinations, executives said.

IHCL, with all its brands, is a dominant player in many other cities of spiritual significance including Nashik,



Pilgrims' progress: IHCL has set up hotels at key spiritual locations, including Madurai. •K. GANESAN

Ajmer, Katra, and Dwarka with a footprint of 35 hotels with over 4,000 rooms.

"Religious tourism is often considered the oldest form of tourism, dating thousands of years back. Today, with better infrastructure support, this segment is growing rapidly. Being pioneers in tourism, we are committed to growing and streng-

thening footprint in this sector which is growing exponentially," said Puneet Chhatwal, MD & CEO, IHCL.

"Religious and spiritual tourism within domestic tourism is a largely untapped market. IHCL currently has a portfolio of 35 hotels across locations with religious and spiritual significance. Our pipeline includes hotels in

Dharamshala, Haridwar, Katra, Mecca, to name a few," he added.

Recently, IHCL signed up for Vivanta Dharamshala, a 100-room hotel offering panoramic views of the Dhauladhar mountains in the Himalayas. It is a short distance away from McLeodganj, famous the world over as a hub of Tibetan Buddhism and home to the Dalai Lama. It is a greenfield project slated to open in 2023.

IHCL was also behind the famous *Ganga Arti* that takes place in Varanasi.

As per IHCL's research, destinations like Varanasi, Ajmer, Amritsar, Goa and Kerala are visited more by domestic travellers while international travellers are inclined towards Amritsar, Nashik and Madurai, more from a cultural exploration perspective.

"Religious and spiritual tourism within domestic tourism is a largely untapped market. IHCL is committed to filling the gap in this sector which is growing exponentially. The opportunities across market segments and price points are immense," the company said.

Meanwhile, Taj Hotels has launched 'Divinity Trails at the Taj' across key destinations in India.

Renu Basu, senior vice-president - Global Sales and Marketing, IHCL, said, "Divinity Trails at the Taj is our way to encourage travelers to explore self-fulfilling and spiritual experiences while enjoying a luxurious break."

Among the key Divinity Trails destinations are Taj Tirupati, Taj Rishikesh Resort & SpaTaj Swarna, Amritsar and Taj Nadesar Palace or Taj Ganges, Varanasi.

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Notice Inviting Tender (NIT), National Competitive Bid (NCB)
Bid reference No.: 29/JSCL/2019-20

REQUEST FOR PROPOSAL (RFP)
"DEVELOPMENT OF A SPORTS HUB AT BURLTON PARK IN JALANDHAR CITY UNDER JALANDHAR SMART CITY MISSION ON PPP (DBFOT) MODE"

Jalandhar Smart City Limited (JSCL) invites online unconditional bids through e-procurement portal <http://eproc.punjab.gov.in> from eligible bidders under National Competitive Bidding (NCB) with Single Stage-two envelopes bidding procedure for the following works.

Sr. No.	Name of Work	Estimated Cost (₹)	Earnest Money (₹)	Tender Fee (₹)	Concession Period
1.	"DEVELOPMENT OF A SPORTS HUB AT BURLTON PARK IN JALANDHAR CITY UNDER JALANDHAR SMART CITY MISSION ON PPP (DBFOT) MODE"	250 Crores (Approx.)	2.5 Crores	20,000/- + GST	30 Years

Important dates of the RFP are as below:-

Availability of Tender Online for Bidding		Last Date & Time for Online Submission of Bids	Date & Time of Opening of Tender	
From	To		Technical Bid	Financial Bid
11.02.2020 1700 hrs	26.02.2020 1700 hrs	26.02.2020 1700 hrs	28.02.2020 1000 hrs	To be intimated later

1. The Pre-Bid meeting is as mentioned below:-
Date: 19.02.2020, Time: 14:00 hrs.,
Place: Office of PMIIDC, Chandigarh

2. Detailed NIT & Bid Documents can be seen at the website: <http://eproc.punjab.gov.in> and may be downloaded free of cost from <http://eproc.punjab.gov.in>.

3. Any subsequent addendum /corrigendum shall be published only at the website: <http://eproc.punjab.gov.in>

Sd/-
Chief Executive Officer
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Notice Inviting Tender (NIT), National Competitive Bid (NCB)
Bid reference No.: 24 (b)/JSCL/2020

RFP for "Supply, Installation, Operation and Maintenance of 5 Years for Automatic Sanitary Napkin Vending Machines, Electric Incinerators, and ICT based User Feedback System at various locations in Jalandhar under Smart City Mission"- 3rd Call.

Jalandhar Smart City Limited (JSCL) invites online unconditional bids through e-procurement portal <http://eproc.punjab.gov.in> from eligible bidders under National Competitive Bidding (NCB) with Single Stage-two envelopes bidding procedure for the following works.

Sr. No.	Name of Project/ Work (s)	Estimated Project Cost (₹)	Bid Security/ Earnest Money (₹)	Cost of documents/ Tender Fee (₹)	Period of Completion
1.	Supply, Installation, Operation and Maintenance of 5 Years for Automatic Sanitary Napkin Vending Machines, Electric Incinerators, and ICT based User Feedback System at various locations in Jalandhar-3rd Call.	93,18,818/- (Rupees Ninety Three Lakhs Eighteen Thousand Eight Hundred and Eighteen only)	1,86,376/- (Rupees One Lakh Eighty Six Thousand Three Hundred and Seventy Six only)	10,000/- (Rupees Ten Thousand only) plus GST	5 Years

Important dates of the RFP are as below:-

Availability of Tender Online for Bidding		Last Date & Time for Online Submission of Bids	Date & Time of Opening of Tender	
From	To		Technical Bid	Financial Bid
10.02.2020 1000 hrs	17.02.2020 1700 hrs	17.02.2020 1700 hrs	18.02.2020 1100 hrs	To be intimated later

1. Detailed NIT & Bid Documents can be seen at the website: <http://eproc.punjab.gov.in> and may be downloaded free of cost from <http://eproc.punjab.gov.in>.

3. Any subsequent addendum /corrigendum shall be published only at the website: <http://eproc.punjab.gov.in>

Sd/-
Chief Executive Officer
Jalandhar Smart City Limited