

Poverty in India declines by 12% in last decade

BY TEJI MANDI



According to the World Bank report, extreme poverty in India has declined by 12.3% in the last decade. In rural India, the pace of reduction has been more significant than in urban areas. Read to know more!

What Does the Report Say?

From 2011 to 2019, rural and urban poverty dropped by 14.7% and 7.9% points, respectively. Those earning less than \$1.90 per day has been used to define extreme poverty (roughly Rs 145). India made it possible to bring down consumption inequality to its lowest levels in 40 years through state-provided food programs.

Even though the working paper was titled, 'Poverty in India has declined over the last decade, but not as much as previously thought'. But considering the quantum of the problem since India's independence, this is a rare feat. This achievement also coincides with India becoming the fifth-largest economy in the world.

Where Does the Problem Lie?

Although two major structural reforms, namely demonetisation and GST in-

roduction, took place during the tenure of this study, it does not take into account the COVID-19 pandemic and the subsequent lockdowns.

The pandemic was a big setback to poverty reduction across the world, and will stretch out targets for countries like India.

Also, in comparison to its neighbours, India's per capita income does not seem to be impressive. India ranks among middle income countries which are home to about half of the world's poor.

What Can Investors Make of it?

Going by the World Bank report, India could pull the last 10% of its population out of extreme poverty within a decade.

From a macroeconomic perspective, this data is promising. As people come out of poverty and gradually improve their standard of living, their aspirations eventually increase. And considering the fact that India is a spending economy, the consumption story remains intact!

Teji Mandi (TM Investment Technologies Pvt. Ltd.) is a SEBI registered investment advisor. Information in this article should not be construed as investment advice. Please visit www.tejimandi.com to know more.

NISSAN PULLS THE PLUG ON DATSUN BRAND IN INDIA

THE MOVE IS A PART OF NISSAN'S GLOBAL TRANSFORMATION STRATEGY ANNOUNCED IN 2020

AGENCIES
New Delhi

Japanese auto major Nissan on Wednesday said it is discontinuing Datsun brand in India, nine years after the company kicked off the marquee's global relaunch in the country.

Having failed in its ambitious global relaunch of Datsun, Nissan had in 2020 discontinued the brand in Russia and Indonesia, the other two countries along with South Africa and India which were marked as key markets targeting the entry level car segment.

Confirming the move to discontinue the Datsun brand, Nissan India in a statement said, "Production of Datsun redi-GO has ceased at the Chennai plant (Renault Nissan Automotive India Private Ltd). Sales of the model still continue (till the stock lasts)."

The company further said, "We can re-

assure all existing and future Datsun owners that customer satisfaction remains our priority, and we will continue to provide the highest levels of after-sales service, parts availability, and warranty support from our national dealership network." The company had already stopped production of two other models under the Datsun brand - entry level small car Go and compact multi purpose vehicle Go+.

The discontinuation of the Datsun brand is a part of Nissan's global transformation strategy which was announced in 2020. "As part of Nissan's global transformation strategy, Nissan is focusing on core models and segments that bring the most benefit to customers, dealer partners and the business. In India, this includes the all-new, locally produced Nissan Magnite with over 100,000 customer orders to date," Nissan India said in the statement.

Under the global transformation plan, Nissan had said it would exit the Datsun business in Russia and streamline operations in some markets in the ASEAN (Association of Southeast Asian Nations) region. It had also announced the stopping of manufacturing operations in Indonesia.

Before it was phased out in 1986 for the first time, the brand was sold in 190 countries.

ICICI Sec Jan-Mar net profit rises 3.3% YoY to Rs 340 crore

INFORMIST
Mumbai

ICICI Securities Ltd's consolidated net profit for the March quarter rose 3.3% on year to 3.4 bln rupees. Total revenue from operations for the quarter rose 20.6% to 8.92 bln rupees. Sequentially, the net profit fell 10.5% and total revenue was down 5.3%.

Other income was at 6.3 mn rupees in Jan-Mar.

In Jan-Mar, total expenditure, including finance cost, was at 4.37 bln rupees compared with 2.98 bln rupees a year ago. Finance cost surged nearly threefold on year to 910.8 mn rupees.

The tax outgo for the

March quarter was at 1.15 bln rupees, against 1.12 bln rupees a year ago.

For 2021-22 (Apr-Mar), the company's net profit rose 29.5% on year to 13.83 bln rupees, while total revenue jumped 32.8% to 34.35 bln rupees. The board has recommended final dividend of 12.75 rupees a share.

Shares of ICICI Securities closed 0.6% higher at 628.5 rupees on the NSE on Wednesday.

Tata Elxsi Q4 net profit rises 6% on quarter to Rs 160 crore

Mumbai: Tata Elxsi Ltd's net profit for the March quarter rose 6% sequentially to 1.6 bln rupees. Revenue from operations for the quarter rose 7.3% to 6.82 bln rupees. On a year-on-year basis, the net profit rose 38.9% and revenue was up 31.5%.

The company's other income rose to 180.89 mn rupees from 65.11 mn rupees a quarter ago.

Total expenditure, including finance cost, was at 4.8 bln rupees compared with 4.42 bln rupees a quarter ago. Finance cost was higher at 31.87 mn rupees from 30.08 mn rupees a quarter ago.

Angel One Q4 profit doubles on year to Rs 205 crore

Company will pay a final dividend of Rs 2.25 a share

INFORMIST
New Delhi

Angel One Ltd's (formerly Angel Broking) consolidated net profit in the March quarter rose 101% on year to 2.05 bln rupees, and total revenue surged 64.3% to 6.71 bln rupees. Sequentially, the net profit rose 24.4% and total revenue rose 12.4%. The company's other income rose to 140.43 mn rupees from 102.48 mn rupees year ago.

In Jan-Mar, total expenditure, including finance

cost, was at 4.11 bln rupees compared with 2.77 bln rupees a year ago. Finance cost surged 81.2% on year to 195.18 mn rupees.

Tax outgo for the March quarter was at 695.48 mn rupees as against 404.15 mn rupees a year ago.

For 2021-22 (Apr-Mar), the company's net profit surged twofold on year to 6.25 bln rupees, while total revenue surged 78.7% on year to 22.59 bln rupees.

The company will pay a final dividend of 2.25 rupees a share.

HDFC to sell 10% stake in HDFC Capital to ADIA's subsidiary

AGENCIES
Mumbai

Housing loan major HDFC will sell 10 per cent stake in HDFC Capital Advisors to a wholly-owned subsidiary of the Abu Dhabi Investment Authority (ADIA).

Accordingly, the housing loan major entered into binding agreements to sell 10 per cent of its fully diluted paid-up share capital of HDFC Capital to ADIA's subsidiary for approximately Rs 184 crore.

Notably, ADIA is the primary investor in the alternative investment funds

managed by HDFC Capital. Set up in 2016, HDFC Capital is the investment manager to 'HDFC Capital Affordable Real Estate Funds 1, 2 & 3', and is aligned with the Government of India's goal to increase housing supply and support the Pradhan Mantri Awas Yojana - 'Housing for All' initiative.

It manages an approximately \$3 billion funding platform which has recently been rated as one of the world's largest private finance platforms focused on development of affordable housing. The funds managed by HDFC Capital provide long-term, flexible funding across the lifecycle of affordable and mid-income housing projects including early-stage funding. The funds also invest in technology companies engaged in the affordable housing ecosystem.

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NEWS IN BRIEF

Retail inflation for farm, rural workers rises to 6.09%, 6.33% in March

Retail inflation for farm and rural labourers increased to 6.09 per cent and 6.33 per cent, respectively, mainly due to higher prices of certain food items and clothing. "Point to point rate of inflation based on the CPI-AL and CPI-RL stood at 6.09 per cent and 6.33 per cent in March 2022, compared to 5.59 per cent and 5.94 per cent, respectively, in February 2022, and 2.78 per cent and 2.96 per cent, respectively, during the corresponding month of the previous year," a labour bureau statement said.

FRL holds shareholders' meeting for approval of deal with Reliance Retail

Future Retail Ltd (FRL) on Wednesday held a meeting of its shareholders to consider and approve the sale of the company's retail assets to billionaire Mukesh Ambani's Reliance Retail Ventures Ltd. The meeting was chaired by Shailesh Haribhakti, FRL said in a regulatory filing. Haribhakti has been appointed by the NCLT to chair the meeting. The result of the voting will be announced in due course, it added.

Tata Steel to stop doing business with Russia following Ukraine invasion

Tata Steel Ltd will stop doing business with Russia, making it the latest global company to cut ties with the country for invading Ukraine, according to a news report. Tata Steel does not have any operations or employees in Russia, the company was reported to have said. All the company's steel manufacturing sites in India, the UK and the Netherlands have sourced alternative supplies of raw materials to end the dependence on Russia, Tata Steel reportedly said.

PM Gati Shakti crucial for India to become \$5 trillion economy: Gadkari

The PM Gati Shakti National Master Plan (NMP), aimed at improving multi-modal connectivity and last-mile connectivity across the country, is important for achieving the prime minister's dream of making India a USD 5 trillion economy by 2024-25, Union minister Nitin Gadkari said on Wednesday.

Sebi streamlines payment process via UPI for initial public offerings

Capital markets regulator Sebi on Wednesday streamlined the payment of processing fee through the Unified Payments Interface (UPI) system for shares applied for and allotted during an initial public offering (IPO).

BanyanTree offloads 19.75 lakh HBL Power System shares worth Rs 13 cr

BanyanTree Growth Capital on Wednesday has offloaded 19.75 lakh shares of HBL Power Systems for nearly Rs 13 crore through an open market transaction. According to the bulk deal data available with the NSE, BanyanTree sold a total of 19,75,631 shares. The shares were divested at Rs 65.25 apiece, valuing the transaction at Rs 12.89 crore.

Banks sanction loans worth Rs 3,628 cr under PM Yojana to over 34 L people

About Rs 3,628 crore loans have been sanctioned under the PM SVANidhi or Pradhan Mantri Street Vendor's Atmanirbhar Nidhi scheme to over 34 lakh street vendors since its launch, a senior government official said on Wednesday.

Fone4 Communications' Rs 6.80 cr SME IPO opens on April 25

Fone4 Communications (India) Limited will be coming out with an Initial Public Offering (IPO) of 68,00,000 shares at par i.e., Rs. 10 per share aggregating to Rs. 6.80 crore. The IPO will be opening on 25th April 2022 and closing on 27th April 2022. The company's equity shares will be listed on BSE - SME platform.

Indian plastics industry eyes \$25 bn exports by 2025: PLEXCONCIL

Union Minister Piyush Goyal appealed to the Indian plastic industry to set a target to become a Rs 10 lakh-crore industry in the near future and lauded the export target of USD 25 billion it has set for the year 2025. He was speaking while felicitating exporters at Exports Excellence Awards organised in Mumbai by PLEXCONCIL, India's apex trade body of plastics exporters.

RIL Q4 profit drops 65%

New Delhi: Reliance Group firm RIL on Wednesday reported a 65 per cent decline in consolidated profit at Rs 1.06 crore for the quarter ended March 31, 2022.

The company had posted a consolidated profit of Rs 3 crore in the year-ago period, Reliance Industrial Infrastructure Ltd (RIIL) said in a filing to BSE.

However, total income of the company during the January-March quarter increased to Rs 19.65 crore over Rs 18.88 crore in the same period a year ago.

The board of directors recommended a dividend of Rs 3 per equity share of Rs 10 each for FY22.

RIIL is mainly engaged in the business of setting up industrial infrastructure. Its main activities are transportation of petroleum products and raw water through its pipelines, construction machinery on hire and other infrastructure support services.

Ontario Pension Plan to invest up to \$175 mn in KKR road assets in India

AGENCIES
Mumbai

Global buyout major KKR on Wednesday announced that Ontario Teachers' Pension Plan Board has committed to invest up to USD 175 million in its road platform in India.

The road platform of KKR comprises 12 assets, including six that are proposed to be acquired for which definitive agreements have been signed. These include 910 km of toll roads in 11 states.

There is significant potential to scale, with plans in place to acquire more assets in the future, an official statement said, adding the investment from Ontario Teachers' is expected to be completed by September after getting required approvals.

"We're delighted to further



our investments in high-quality Indian infrastructure and to collaborate with KKR on creating greater connectivity, and increased opportunities for the country via an improved roads network," Ontario Teachers' managing director for infrastructure in Asia-Pacific Bruce Crane said. KKR's head of infrastructure segment Hardik Shah said transportation forms an important part of its portfolio, courtesy of the government's focus on improving connectivity between cities.

Subhash Chand Gupta takes over as CMD, MRVC

Mumbai: Subhash Chand Gupta has taken over the charge of Chairman and Managing Director, Mumbai Railway Vikas Corporation Ltd. (MRVCL) on April 20. Prior to joining MRVC, he was Director (Way & Works), Konkan Railway Corporation Ltd.

Subhash Chand Gupta is Indian Railway Service of Engineers (IRSE) officer with Masters of Technology (Soil Mechanics & Foundation Engineering) from IIT Delhi. Gupta has more than 30 years of working experience in Rail infrastructure in different roles.

Gupta has experience in planning, monitoring and management of major Rail Infrastructure projects. Executed mega projects like Dedicated



Freight Corridor, Udhampur Shrinagar Baramulla Rail Link Project, etc.

Gupta has played a key role in Maintenance and Renewal of Civil Engineering Infrastructure (e.g. track, bridge, building, stations, etc.) as well as Maintenance and Operation of track maintenance and track renewal machines over Indian Railways.

Zilingo says working closely with major investors for probe

AGENCIES
New Delhi

After Singapore state investment firm Temasek backed an investigation into Zilingo's accounting practices, the fashion technology startup said it is working closely with its major investors and an independent firm for the probe.

"The major investors of the company authorised the board to put the CEO, Ankita Bose, on suspension pending an investigation of the matters raised," Zilingo Pte said in a statement.

However, it did not elaborate on the investigation.

"The major investors have hired an independent firm to investigate the matter, and the company is working closely with the major investors and the independent firm for the investigation," it said.

Proper due process has been and will be followed, it insisted.

In a strongly-worded statement, Temasek had on Tuesday stated, "We expect our portfolio companies to abide by the sound corporate governance and codes of conduct and ethics. We are, therefore, in support of the board's investigation into the complaint as a part of good governance to safe-



guard the interests of the company."

This is the second investment firm that has spoken in the favour of a strong governance framework, days after Sequoia India, also an investor in Zilingo, spoke on the subject.

The statement comes after the board of Zilingo put its co-founder Ankita Bose on suspension on March 31 pending an investigation.

Mastek aims to be \$1 billion revenue firm by FY 2026

AGENCIES
Mumbai

Mid-tier IT company Mastek is aiming for a nearly four-fold growth in its top line to a yearly rate of USD 1 billion by 2026 or early 2027 through a mix of both organic growth and acquisitions, a senior official said on Wednesday.

The city-headquartered company, which had cash of over Rs 75 crore as of March 31, will be scouting for acquisition targets in the US in the pursuit of its aspiration, its global chief financial officer Arun Agarwal told PTI.

"Our aim is to have a yearly revenue rate of USD 1 billion by the early part of the second half of the current decade. It can be either in 2026 or early 2027. We will achieve that both organically and through inorganic means," he said.

The listed company closed FY22 with revenues of Rs 2,183 crore or USD 293 million, which were over 26 per cent higher than the year-ago period. For the March quarter, its revenues grew 20.3 per cent to Rs 581.5 crore or over USD 75 million, while the net profit came at Rs 88.2 crore.

Agarwal said the company gets over two-thirds of its revenues from



the UK market, where it has a special focus on serving the IT needs of the state-run entities, while the US contributes only 18 per cent.

The share of the US will go up to 30 per cent of the revenue as the growth outpaces the overall company's rise, and the UK's share will come down to

50 per cent of the pie when it achieves the USD 1 billion revenues, he said.

The growth in US revenues will have to be achieved through acquisitions, and the company will be scouting for assets there, he said, adding the acquisition can be executed either through internal accruals or debt or going in for new capital infusion as well.

Agarwal said the operating profit margin declined by 0.20 per cent from a sequential perspective to 20.8 per cent but added that it is one of the best in the universe of mid-tier IT players.

EPFO adds 14.12 lakh subscribers in February

New Delhi: Retirement fund body EPFO on Wednesday said it added 14.12 lakh subscribers in February 2022, 14 per cent more than 12.37 lakh enrolled in the same month a year ago.

"The provisional payroll data of EPFO released today highlights that EPFO has added 14.12 lakh net subscribers in the month of February, 2022," a labour ministry statement said.

The Employees' Provident Fund Organisation (EPFO) data showed that net enrolments between April 2021 and February 2022 were 1.11 crore. During the entire financial year 2020-21, the net enrolments were 77.08 lakh, lower than 78.58 lakh added in 2019-20.

According to the statement, the month-on-month comparison of payroll data reflects a slight increase of 31,826 net subscriber addition in February, 2022 compared to January, 2022.

Year-on-year comparison shows an increase of 1,74,314 net additions during February, 2022 as compared to that in the corresponding month of 2021.

The net subscriber addition was 13,79,977 in January, 2022 and 12,37,489 in February, 2021. The statement said that there has been a consistent increase in the net subscriber addition since October, 2021, showcasing trust in the services rendered by the organisation.