

FROM THE FRONT PAGE

Insolvency regulator to get more teeth, punitive powers

Commenting on whether the IBBI needs to be further strengthened, a former central banker said, "There is merit in the argument that IBBI, being a general regulator like Sebi, should be given power over lenders on insolvency resolution matters."

Another expert said that Sebi has the power to crack the whip on a bank that wishes to go public if the markets regulator detects any wrongdoing in its sphere of regulation, even though the bank continues to be regulated by the sectoral watchdog RBI. "There is no reason why such powers can't be granted to the IBBI in case of insolvency resolution," he added.

According to the extant mechanism, the IBBI can approach the special courts — set up under the provisions of the Companies Act, 2013 — against a financial creditor if it suspects wrongdoing by the latter. However, since the regulator lacks adequate investigative powers, it's not possible for it to prove its case through a solid probe.

Also, unlike Sebi, the IBBI just makes regulations but it doesn't have power to either interpret them first or enforce them properly. The capital markets regulator, in contrast, can punish the guilty, based on its own interpretation of its regulations and investigation. Of course, these can be challenged by the aggrieved party at the Securities Appellate Tribunal.

In September last year, following outrage over few cases mentioned earlier, the IBBI came out with a professional code of conduct for the lenders who form the committee of creditors, in sync with the recommendation of the parliamentary standing committee on finance, stipulating some dos and don'ts for them. However, in the absence of real power, it's not clear how the IBBI will enforce it strictly to achieve the desired outcome.

The parliamentary panel on finance last year warned that the IBC had strayed from its intended goals due to long delay in resolution and massive haircuts for lenders.

Shravan Shetty, managing director at consultancy firm Primus Partners, said: "The IBBI should also be empowered to look at innovative options for resolution. These include identifying and selling select valuable assets of a stressed firm separately to maximise realisation instead of waiting for a single bidder to buy the entire company. Also, the regulator needs to have power to order liquidation of insolvent companies if no resolution is found within a year."

Some analysts, however, feel the government's primary focus now should be to ensure swift resolution of assets and prevent value erosion. Misha, partner at Shardul Amarchand Mangaldas & Co, said the resources available to and the capacity of the NCLTs need to be ramped up urgently so that they are able to function at optimum capacity. There is also a need to consider introducing mediation as a means of dispute resolution in insolvency space, she said.

PLI scheme for IT hardware being sweetened

In comparison, the IT hardware has seen average quarterly production reaching ₹500 crore against estimated ₹750 crore and attracted investments of ₹16,500 crore.

Under the NMP, there are four approaches to mobilise funds and estimate the monetisation value — apart from market approach and capex route, conventional accounting methods of book and enterprise values are also being adopted to gauge the monetisation value.

Under the market approach, the monetisation value is determined on the basis of comparable market transactions. The capex approach is followed for asset classes that may be monetised through public private partnership-based models like highways, ports, airports and power-transmission. Here, capex by the private sector is counted as the monetisation value.

Of course, some of these ventures — like the National Highways Authority of India's bid to mobilise revenues upfront from operational highway stretches

through the toll-operate-transfer (TOT) route and coal blocks allocations — had been running even prior to the NMP's launch.

The FY22 target for monetisation of coal mines and non-coal assets (bauxite, copper, limestone, iron ore etc) was just ₹3,394 crore or 12% of the indicative value of assets worth ₹28,747 crore to be monetised between FY22 and FY25. As of February 1 this year, as much as ₹4,600 crore was collected or through the mine-developer-and-operator (MDO) model where ownership of the mines will be retained by Coal India and the private developer would undertake mining activities and produce coal under a revenue-sharing mechanism. On March 2, the coal ministry also received 26 bids for 11 coal mines put under auction.

In terms of value, monetisation by the National Highways Authority of India (NHAI) could be close to its FY22 target of ₹30,000 crore with the authority having already realised ₹12,000 crore through Infrastructure Investment Trusts (InvITs) and Transfer-Operate-Transfer (TOT) models. The monetisation of toll receivables of Delhi-Mumbai Expressway and three bundles of TOT are being undertaken.

Power Grid, the public sector electricity transmission utility, has also mobilised about ₹7,700 crore through monetisation transmission lines, fully achieving the FY22 target.

Railways, along with the NHAI accounts for a major share in the four-year NMP, has collected just ₹390 crore via monetisation in the current fiscal so far, through the redevelopment of Habibganj railway station, as against the target of ₹17,810 crore for FY22. The target for railways was to monetise 40 stations in FY22.

With a lot of preparation already in place, officials believe the target of ₹1.62 lakh crore asset monetisation in FY23 is achievable.

However, the railways could be laggard next year also if it doesn't get its act together. Monetisation models of rolling stocks (private train operators) and stations are being re-examined by the railway ministry as the current models haven't attracted investors. According to the NMP, railways need to monetise 120 railway stations, 30 trains and 1,400 km track, among others in FY23. NHAI has plans to monetise 5,476 km roads worth ₹32,855 crore in FY23.

The NMP is in sync with the government's plan to revert to the path of fiscal consolidation without any lapse of time and create the fiscal left to finance the ₹111-lakh-crore National Infrastructure Pipeline and other capital-intensive ventures. The idea is to crowd in private investments in infrastructure by making matching public funds available.

The assets to be monetised through structured contractual partnership as against privatisation or slump sale of assets, will include highway stretches, power transmission networks, freight corridors, airports, ports, gas pipelines and warehousing facilities.

Coal, roads to lead asset monetisation overdrive

The agencies concerned — NHAI, Power Grid etc — could use these funds to quicken the pace of their capital expenditures, thereby giving a boost to overall public capex and fixed asset creation in the economy.

Immediately after the Narendra Modi government unveiled the NMP in August 2021, this ambitious project to boost non-debt capital receipts in the government sector got off to a quick start. The NMP seeks to generate upfront revenues of ₹6 lakh crore in four years starting FY22, out of operational infrastructure projects, under various innovative long-term lease plans that don't require the government to cede ownership of the assets much.

Of course, the funds raised under NMP won't flow into the Centre's Budget, instead various public-sector agencies will lay their hands on these receipts and put the monies to use quickly for new asset creation. The capex boost by these public sector entities will also crowd in private capex, particularly in mining, seaport & airport infrastructure, gas pipelines and warehousing facilities.

Why Khaitans lost control of Eveready

McNally Bharat's net loss stood at a whopping ₹466 crore in 2018-19, on the back of subdued industrial growth and difficult financial conditions. McLeod Russell had a loss of ₹4.42 crore even after selling several tea estates to improve its cash flow. Yes Bank in 2019-20 moved NCLT against McLeod on account of a loan default.

The financially stressed group suffered a major setback in November, 2019 when Aditya Birla Finance sold 25 lakh shares of Eveready after those pledged shares had been invoked by the financial services company. It resulted in dilution of promoter stake in Eveready, a key company for the group.

It was the first week of October, 2020. For the first time, promoter shareholding in Eveready fell below 5%, as banks and financial institutions continued to invoke and sell pledged shares of the battery maker for recovery of dues from ailing group companies. Eveready shares had been pledged with financial institutions and banks for securing outstanding dues of McNally Bharat and other group firms.

The Khaitans had held a

comfortable 27.39% equity stake in Eveready at the end of the third quarter ending December 2019.

In July 2020, the Burman family, Dabur promoters, had acquired around 8.48% additional equity stake in the battery major via open market operations, taking its holding to 19.84%. Burmans became the single largest shareholder of Eveready. In 2019-20, the battery segment, on a turnover of ₹728.99 crore, recorded its highest Ebitda margin at 21.1%. Profit after tax stood at ₹179.57 crore.

Under Khaitan's leadership, the company had already diversified to the marketing of electrical & lighting products and forayed into the small home appliances segment to improve turnover and profitability.

On the other hand, in August last year, McNally had received a notice from one of its lenders to show cause as to why the company or its promoters and directors should not be included in the list of wilful defaulters.

Amid this scenario, Eveready's amounts of outstanding inter-corporate deposits (ICDs) to stressed promoter group companies increased. Auditor also flagged off the matter of the company's unsecured ICDs to "certain companies that are part of the Promoter Group". Earlier, rating agencies had raised concerns over its high net leverage and weakened liquidity amid financial support extended to the group companies.

Mohit Burman, Dabur vice chairman, had been emphasizing that Eveready should be run "professionally". Its board had in August last year appointed Suvamoy Saha, then a non-executive director, as joint MD. Significantly, appointing a joint MD was in line with what the Burman family wanted.

Saha assumed charge as the new MD after chairman Aditya Khaitan and managing director Amritanshu Khaitan resigned on last Thursday following the recent open offer from the Burmans.

"Because of the share pledged to support the ailing group companies, Khaitans lost control over Eveready," senior company officials told FE. Amritanshu Khaitan and his uncle Aditya Khaitan were not available for comments.

In a letter to the board on Thursday, Khaitan said as the Burman family expressed its interest to take management control of the company and give new leadership, it would be "appropriate" for him to step down from the board.

On March 1, a day after making the open offer to acquire an additional 26% share of the company, Dabur vice chairman Mohit Burman told FE that his family wants to acquire control and intends to be a promoter of Eveready as it believes if run "properly in a professional manner" with new talent, the company could grow at a much faster pace and profitably.

"The existing shareholding structure was not tenable. This company now needs to chart out on its own under a new leadership. Hopefully, we can provide the same," Burman said in an email interaction.

The Burman Group wants appropriate representation on the board through appointing three directors. The family will want to appoint a chairman after the open offer.

"Eveready has been a very strong brand. But the brand was in between losing its corporate image. That was hurting me. I think Eveready will get back its old glory, whatever little it has lost, following the change of ownership," that is how a former senior group official reacted to the Burmans' open offer.

Eveready was earlier owned by the erstwhile Union Carbide India. Khaitans fought a bitter battle with Nusli Wadia's Bombay Dyeing to acquire it in 1993.

PM, ministries to brainstorm on Budget proposals tomorrow

To ensure that the ongoing economic recovery takes root, the Centre has budgeted a 36% jump in its capital spending to a record ₹7.5 lakh

crore for FY23 from the revised estimate for FY22 (excluding capital infusion into Air India), with particular focus on infrastructure creation. Its capex next fiscal will more than double from the pre-pandemic (FY20) level. The Budget's "commitment towards asset creation (public infrastructure development) will invigorate the virtuous cycle of investment and crowd in private investment with large multiplier effects which

in turn will augment inclusive and sustainable growth", the finance ministry had said in its report for January. The Budget has projected a real growth rate of about 8% for the next fiscal. This is in sync with the growth rate of 8-8.5% projected by the latest Economic Survey and is close to the central bank's forecast of 7.8% for FY23. The National Statistical Office has forecast 8.9% growth for the current fiscal after a 7.3% contraction

in real GDP in FY21 in the wake of the pandemic.

UCO BANK (A Govt. of India Undertaking) Head Office - II, Department of Information Technology 3 & 4, DD Block, Sector - 1, Salt Lake, Kolkata - 700064

NOTICE INVITING TENDER UCO Bank invites Request for Proposals (RFPs) for the following: 1. Procurement of Apple iPads. 2. Supply, implementation & maintenance of software solution for setting up Centralised Forex Processing Centre - FXPC (Re-tendering). 3. Supply, installation, implementation and maintenance of web based application software for mandate management and ACH system under NACH platform, host-to-host solution and STP solution. 4. Implementation of on-premises Private Cloud Infrastructure. For any details, please refer to https://www.ucobank.com. Date: 07.03.2022 Deputy General Manager DIT, BPR & BTD

TRANSMISSION CORPORATION OF TELANGANA LIMITED, HYDERABAD - TENDER NOTICE

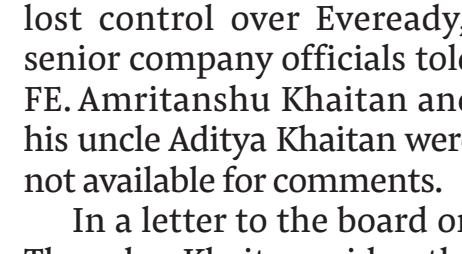
The TSTransco (Transmission Corporation of Telangana Limited) invites on-line Bids under e-procurement for supply of following material: 1. TSPMM23-07/2022 Supply of New Transformer Oil SAFETY ITEMS Item-1: DIELECTRIC Non conductive full body harness (PN42). Item-2: DIENOC E A Forked lanyard (PN 360). Item-3: Suspension intolerance straps (STS01). Item-4: Work Positioning polyamide rope Lanyard with Automatic grip adjuster (PN242)

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PUBLIC ANNOUNCEMENT



SURAJ ESTATE DEVELOPERS LIMITED

Our Company was originally incorporated as 'Suraj Estate Developers Private Limited', a private limited company under the Companies Act, 1956 at Mumbai, Maharashtra, pursuant to a certificate of incorporation dated September 10, 1986 issued by the Registrar of Companies, Maharashtra at Mumbai ('RoC'). Subsequently, our Company was converted into a public limited company, pursuant to a special resolution of the shareholders of our Company dated October 30, 2021 and the name of our Company was changed to 'Suraj Estate Developers Limited' and a fresh certificate of incorporation dated December 9, 2021 issued by the RoC. For further details on the change in the name and the registered office of our Company, see "History and Certain Corporate Matters" beginning on page 193 of the Draft Red Herring Prospectus dated March 4, 2022 ("DRHP"), filed with the Securities and Exchange Board of India ("SEBI") on March 5, 2022.

Registered and Corporate Office: 301, 3rd Floor, Aman Chambers, Veer Savarkar Marg, Opp. Bengal Chemicals, Prabhadevi, Mumbai 400025, Maharashtra, India. Tel: +91 22 2437 7877, Website: www.surajestate.com, Contact Person: Shilpi Kapoor, Company Secretary and Compliance Officer, E-mail: suraj@surajestate.com Corporate Identity Number: U99999MH1986PLC040873

OUR PROMOTER: RAJAN MEENATHAKONIL THOMAS

INITIAL PUBLIC OFFERING OF UP TO (●) EQUITY SHARES OF FACE VALUE ₹ 5 EACH ("EQUITY SHARES") OF SURAJ ESTATE DEVELOPERS LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ (●) PER EQUITY SHARE (INCLUDING A SECURITIES PREMIUM OF ₹ (●) PER EQUITY SHARE) ("ISSUE PRICE"), AGGREGATING UP TO ₹ 5,000 MILLION (THE "ISSUE"). THE ISSUE WILL CONSTITUTE (●)% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF EQUITY SHARES IS ₹ 5 EACH. THE PRICE BAND AND THE MINIMUM BID LOT SHALL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS ("BRLMs") AND WILL BE ADVERTISED IN ALL EDITIONS OF (●), AN ENGLISH NATIONAL DAILY NEWSPAPER, ALL EDITIONS OF (●), A HINDI NATIONAL DAILY NEWSPAPER AND REGIONAL EDITION OF (●), A MARATHI NEWSPAPER, MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA, WHERE OUR REGISTERED OFFICE IS LOCATED, WITH WIDE CIRCULATION, AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE BSE LIMITED ("BSE") AND THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE"), AND TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES IN ACCORDANCE WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI/ICDR REGULATIONS").

In case of any revision in the Price Band, the Bid/Issue Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/Issue Period for a minimum of three Working Days, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the websites of the Book Running Lead Managers and at the terminals of the Syndicate Members and by intimation to Designated Intermediaries and by the Sponsor Bank, as applicable.

The Issue is being made through Book Building Process in terms of Rule 19(2)(b) of the Securities Contracts Regulation Rules, 1957, as amended ("SCRR"), read with Regulation 31 of the SEBI ICDR Regulations and is being made through Book Building Process, in compliance with Regulation 6(2) of the SEBI ICDR Regulations, wherein at least 75% of the Issue shall be allotted on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"), provided that our Company in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis ("Anchor Investor Portion"). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (other than the Anchor Investor Portion) (the "Net QIB Portion"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. If at least 75% of the Issue cannot be allotted to QIBs, all the application monies will be refunded/unlocked/returned. Further, not more than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilise the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID (in case of RIBs) if applicable, in which the corresponding Bid Amounts will be blocked by the SEBI under the UPI Mechanism, as applicable. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see "Issue Procedure" on page 361 of the DRHP.

This public announcement is being made in compliance with the provisions of Regulation 26(2) of the SEBI ICDR Regulations to inform the public that our Company is proposing, subject to applicable statutory and regulatory requirements, receipt of requisite approvals, market conditions and other considerations, an initial public offering of its Equity Shares pursuant to the Issue and has filed the DRHP with the SEBI on March 5, 2022.

Pursuant to Regulation 26(1) of the SEBI ICDR Regulations, the DRHP filed with SEBI shall be made available to the public for comments, if any, for period of at least 21 days, from the date of such filing, by hosting it on the website of SEBI at www.sebi.gov.in, websites of the Stock Exchanges i.e., BSE at www.bseindia.com and NSE at www.nseindia.com and the websites of the BRLMs i.e., Centrium Capital Limited at www.centrium.co.in and Anand Rathi Advisors Limited at www.rathi.com. Our Company hereby invites the public to provide comments on the DRHP filed with SEBI with respect to disclosures made therein. The members of the public is requested to send a copy of the comments sent to SEBI, to the Company Secretary and Compliance Officer of our Company and/or the BRLMs at their respective addresses mentioned below. All comments must be received by our Company and/or the BRLMs and/or the Company Secretary and Compliance Officer of our Company at their respective addresses mentioned herein below in relation to the Issue on or before 5:00 p.m. on the 21st day from the aforesaid date of filing the DRHP with SEBI.

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of the DRHP. Specific attention of the investors is invited to "Risk Factors" being mentioned on page 27 of the DRHP. Any decision to invest in the Equity Shares described in the DRHP may only be made after the red herring prospectus ("RHP") has been filed with the RoC and must be made solely on the basis of such RHP as there may be material changes in the RHP from the DRHP.

The Equity Shares, when offered, through the RHP, are proposed to be listed on the Stock Exchanges. For details of the main objects of our Company as contained in its Memorandum of Association, see "History and Certain Corporate Matters" beginning on page 193 of the DRHP. The liability of the members of our Company is limited. For details of the share capital and capital structure of the Company, the names of the signatories to the Memorandum of Association and the number of shares subscribed by them of the Company, see "Capital Structure" beginning on page 83 of the DRHP.

Table with 3 columns: C-NTRUM (Centrium Capital Limited), ANAND RATHI (Anand Rathi Advisors Limited), and LINK Intime (Link Intime India Private Limited). Includes contact details like phone, email, website, and SEBI registration numbers for each entity.

All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the DRHP.

For SURAJ ESTATE DEVELOPERS LIMITED On behalf of the Board of Directors Sd/-

Place : Mumbai, Maharashtra Date : March 5, 2022

SURAJ ESTATE DEVELOPERS LIMITED is proposing, subject to applicable statutory and regulatory requirements, receipt of requisite approvals, market conditions and other considerations, to make an initial public offering of its Equity Shares and has filed the DRHP dated March 4, 2022 with SEBI on March 5, 2022. The DRHP is available on the website of SEBI at www.sebi.gov.in, websites of the Stock Exchanges i.e., BSE at www.bseindia.com and NSE at www.nseindia.com and the websites of the BRLMs i.e., Centrium Capital Limited at www.centrium.co.in and Anand Rathi Advisors Limited at www.rathi.com. Potential investors should note that investment in equity shares involves a high degree of risk and for details relating to such risk, please see the section titled "Risk Factors" of the RHP, when filed. Potential investors should not rely on the DRHP for making any investment decision.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act, or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States. The Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such offers and sales are made. The Equity Shares has not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by the persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.