

Expect V-shaped recovery in Q2 corporate earnings: Brokerages

KRISHNA KANT
Mumbai, 8 October

Led by a big positive swing in IIFM Altel's net profits, brokerages expect V-shaped recovery in the combined earnings of Nifty50 companies in the July-September quarter (second quarter, or Q2) of 2020-21 (FY21).

According to brokerage estimates, Nifty50 companies' combined net profit is expected to jump 24 per cent year-on-year (YoY) in Q2-FY21, reversing the trend of an earnings contraction of the previous two quarters. In comparison, index firms' combined net profit has nearly halved YoY in Q2-FY21 and fourth quarter of 2019-20, while it was down 9.5 per cent YoY in Q2 of 2018-19 (FY19).

The index firms' combined net sales (net interest margins in case of banks and non-banking lenders) is expected to decline 8.3 per cent YoY in Q2 — a sharp improvement from the 27.3 per cent contraction in Q1-FY21.

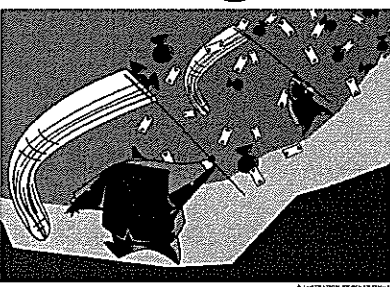


ILLUSTRATION: SHREYAS SHARMA

IOC, Axis Bank, and HCL Technologies. The analysts' latest net earnings estimate for Q2-FY21 by Kotak Institutional Equities, Edelweiss Securities, and VFS Securities. For banks and non-banking financial companies, net sales are not expected to rise, as net sales and net profit are expected to be flat on the sale of goods and services (net of indirect taxes).

"We expect Q2-FY21 net profit of our coverage universe to increase 16 per cent YoY, led by banks (now all positives), information technology services (resilient), demand trends across large verticals, metals and mining firms (increase in realisations), and pharmaceuticals (positive FY20 revenues)," wrote Sandeep Prasad, Sunita Baldawa, and Anindya Bhawanik of Kotak Institutional Equities in their earnings estimate for Q2.

Analysts at Edelweiss Securities expect recovery in net earnings across sectors. "Earnings are still in contraction mode. While a tax effect will weigh on profit after tax, earnings before interest, tax, depreciation, and amortisation (EBITDA) will be more promising and skewed. Exports (IT, metals, and pharma) and domestic consumption (fast-moving consumer goods, auto, telecom) should lead (10-20 per cent YoY EBITDA growth), while domestic investment (financials, cement) and energy will lag," said Edelweiss analyst Prateek Kulkarni, Auliyana Nairan, and Padmanav Uchikhan in their earnings estimate for Q2.

The recovery in headline earnings is, however, likely to be skewed, with a majority of index companies likely to report decline in earnings.

In all, 29 index firms are expected to either report a decline in earnings or losses in Q2. Tata Motors is expected to be the worst performer, with an net loss of ₹1,900 crore. Some of the other major firms likely to report a decline are Continental (Automotive), India Infolia (IT), Tata Consultancy Services (IT), Global Finance, and ITC among others. In comparison, 34 of the 50 index companies are expected to report YoY growth in net sales during the quarter, led by HPPOL Life Insurance, Hero MotoCorp, Maruti Suzuki, and Britannia Industries.

At the other end of the spectrum, Grasim Industries, ONGC, IIL, GAIL (India), IOC, and Bharat Petroleum Corporation are expected to report double-digit decline in net sales YoY during the quarter.

India's richest club sees nine new entrants

Half of the nation's 100 richest saw gains rising a collective 14% to \$57.5 billion, says Forbes

TOP 10 RICHEST INDIANS

Rank	Name	Net Worth (\$ bn)	Company
1	Mukesh Ambani	88.7	Reliance Industries
2	Gautam Adani	51.7	Adani Ports & SEZ
3	Shiv Nadar	34.4	HCL Technologies
4	Raddhakrishnan Venkatesh	28.2	Ariston Sigmament
5	Hinduja Brothers	25.6	Ashok Leyland
6	Cyrus Poonawalla	24.1	Serum Institute of India
7	Pullayji Mistry	21.0	Shoppers' Stop Group
8	Uday Kotak	18.3	Kotak Mahindra Bank
9	Gadgil Family	12.0	Gadgil Group
10	Lakshmi Mittal	10.5	Steel Authority of India

NEW ENTRANTS IN TOP 100

Rank	Name	Net Worth (\$ bn)	Company
82	Srinivas Bithandran	2.3	Info Edge (India)
84	Srinivas Kumar & Mukund Lal Bala	1.4	RecoSoft Solutions
90	Nikhil & Nikhil Kamath	1.4	Blockbuster
91	G Rajendran	1.3	GRT Jewellers
95	Vedant Saraf	1.4	Vedant Group
96	Chandrabhai & Rajendra Gogri	1.4	AAI Industries
97	Premchand Godha	1.4	AAI Industries
99	Arun Bharat Ram	1.3	AAI Industries
100	R G Chandramohan	1.3	Nalson Agro Products

More than half of the increase can be attributed to one individual: Mukesh Ambani at No. 1 for the 13th year, who added \$3.7 billion to his fortune — a rise of 73 per cent — to a net worth of \$58.7 billion, it added.

Gautam Adani retained his No. 2 spot, as his net worth was up 61 per cent to \$25.2 billion while tech tycoon Shiv Nadar jumped three places to No. 3 with \$20.4 billion.

Vaccine maker, Cyrus Poonawalla, whose Serum Institute led the race last year, again, said Forbes.

The impact of the pandemic is showed up on the list as all pharmaceutical billionaires on the list saw their wealth rise. Biocon's Kiran Manjunath saw the highest wealth gain in percentage terms, said Forbes. Biocon is set to start phase 4 trials of a potential Covid-19 vaccine. Despite the pandemic, fever billionaires saw their wealth drop this year than they did in 2019 and about a third more than a third of the listees saw their wealth decline, notably those with interests in real estate.

Titan to exit JV with Montblanc, to focus on primary biz, exclusive brands

In a bid to focus on its core business, retail brand Titan said it will end its five-year-old joint venture with luxury goods maker Montblanc.

The Bergau-based jewellery-in-watch manufacturers said its decision

was to focus on its primary business and proprietary brands. With this, the Germany-headquartered firm will now have a wholly owned subsidiary in India. Analysts see this move as

positive for Titan. "It will allow Titan to focus on its primary business and improve profitability. India is a mass market and premium products will remain niche and small," said Abhishek Roy, a research analyst at Edelweiss Financial Services.

During the five-year JV with Titan, Montblanc has opened 300 stores in the country and established an e-commerce business through Tata's online portal TataFi.

"We have decided that during these rather challenging

times our primary business must take over operations. Both parties have greatly benefited from this partnership, and our relationship with Montblanc remains strong and positive," said K. Venkatesh, CEO and managing director of Titan. SAHAJ ANHAD

'We can make over 1.5 bn doses in 2021'

Hyderabad-based Biological E is readying a billion vaccine doses for Texas-based Baylor College of Medicine (BCM), and about 500 million doses for the Indian Institute of Technology (IIT) Bombay. The company's risk-sharing for clinical trials, and manufacturing infrastructure is a must. MAHIMA DATTA, MD & CEO of Biological E, who is also a board member of Govt. IITs, said that trials, adjuvants, and cold chain may result in a supply constraint in the initial stages. Edited excerpts:

You are making 1.5 bn doses of vaccines in 2021. Is there scope for further scale up?



Though our target is a billion doses, we may have an upside as we are evaluating various doses in the phase-1 and -2 studies. One billion is based on the worst case scenario, assuming we put in the most amount of antigen in making a dose. We used the plasmids (a yeast) platform to express the BCG vaccine. Since we have experience of large scale manufacturing using this platform, we could scale up easily. Now, we have scaled this process to at least 600 litres, and intend to scale to a billion.

Is it also looking to produce around 500 million doses from our facility. So, we will be making a minimum of 1.5 billion doses. We do not have the data from the phase-1 and -2 studies. If this shows that less antigen content is required to generate the same immune response, then our capacity will go up. I don't want to think about the upside too much. In the next two years, we have made 3 billion doses. So, it is not a far reaching thing for us.

contribution of the adjuvant. Vaccine manufacturing is a highly fixed-cost intensive business. Before phase-3, one has to build large-scale facilities. This is a double-edged sword. If you don't have market certainty, you would invest in smaller capacities. For larger capacities, the economies of scale ensure that the per dose cost is lesser. The problem is if you are not able to sell, the person who has invested in a larger capacity suffers all the more.

By when will you decide on a price band? We are now primarily funded through debt. If the funding related to development and infrastructure is self-funded, then one needs to build that into the cost of the product. But, if the government or someone funded us for infrastructure, then that could pass through in the cost of the product.

In structure, the technology platform is promising, so we believe we can have a really affordable product. We are in the

process of scaling up. By the end of December-January, we will be able to narrow down on a price band.

Are you looking at raising funds for capex and R&D?

We are not looking for too much money for infrastructure. We are looking at supplementary infrastructure. Clinical trial is a major cost, as this is not a follow-on vaccine. So, we need to do efficacy studies on large groups of 30,000-40,000 people. The cost of doing that alone is about \$100 million because we have to do it not only in India, but in Latin America, and Africa, etc. Our concern is now where is the visibility to that.

Then there is the issue of at-risk manufacturing. Typically, manufacturers do not make vaccines unless they get the license. But, in this case, you lose the opportunity to scale up the product. The day your license is ready, you should be in a position to supply the product immediately. From a regulatory pathway, India has cleared this.

The government really needs to think about the 'push' side (to developing vaccines) — the money for phase-3 clinical trials, the money for at-risk manufacturing, and eventually also tie up for sale of a product. We have not seen any concrete action on this. There are enough financial instruments available that protect the government's risks as well as the company's needs. We are requesting funding for infrastructure. Infrastructure can be de-risked easily. If our product does not click, we can deploy that capacity for any manufacturer whose product is successful. It's not a risk investment. Clinical trials need risk sharing.

Afroz on business-standard.com

CCI dismisses unfair business practices complaint against Hindalco, Vedanta

CCI dismisses unfair business practices complaint against Hindalco and Vedanta on Thursday, dismissing a complaint against Hindalco Industries Ltd and Vedanta Ltd alleging unfair business practices with respect to copper products.

CCI dismisses unfair business practices complaint against Hindalco and Vedanta on Thursday, dismissing a complaint against Hindalco Industries Ltd and Vedanta Ltd alleging unfair business practices with respect to copper products.

Hindalco and Vedanta control around 85-90 per cent of domestic demand and 75-80 per cent of the domestic supply, respectively, giving them a virtual stranglehold on supplies in the Indian market.

The informant stated that Hindalco is the main flagship copper producer in India and is the leading supplier of copper rods and other copper products in India, while Hindalco is a globalised and natural resources company with interests in iron ore, steel, copper, aluminium, power and oil.

Bokaro Power Supply Co. (P) Ltd.

(A Joint Venture of BHEL & DCEI)

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Ph: 0659-2514997, 2514998, 2514999
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NOTICE INVITING TENDERS

Sl. No.	Sl. No. / Description	Estimate No.	Estimate Date
1	Supply of bearing balls made of Chromium Polymer Alloy for use in Roller Vertical Pump	27.12.2020	27.12.2020
2	Procurement of ASKOR Special Edge Induction Motor for On Line Crane	27.12.2020	27.12.2020
3	Procurement of Generators for company	27.12.2020	27.12.2020
4	Supply of Cable Support of Bell Box, FD Fan, ID Fan & Casing of Turbine	27.12.2020	27.12.2020
5	Annual Maintenance Contract for 11KV Switchgear & HT/LV Breaker of UPS	28.11.2020	28.11.2020
6	Assignment of jobs of Electrical Planning Section and Operation, loading, unloading & Transportation of HT Motors and its Spares between different locations at Bokaro Steel Plant	28.11.2020	28.11.2020

For Tender documents kindly visit Website : www.bpscl.com. Bidders are requested to visit website regularly.

BINNY LIMITED

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T: 044-2662 1053; F: 044-2662 1056

NOTICE

CONCORDANCE TO ANNUAL REPORT OF BINNY LIMITED FOR THE FINANCIAL YEAR 2019-20 FOR THE ATTENTION OF THE SHAREHOLDERS OF THE COMPANY.

The Shareholders of Binny Limited are requested to take a note of shareholder printing alignment error as appearing hereunder with respect to and in connection with the Annual Report for the Financial Year 2019-20 as dispatched to its members shareholders through email on 06th October, 2020.

On page no.24 of Annual Report
The Current tax Assets (net) amounting to ₹ 16.48 lacs has to be read in the corresponding column of as at 31 March, 2019, the parallel column for as at 31 March, 2020 should be read as

ASSETS	Balance Sheet as at 31 March 2020	
	(Amount in INR Lacs, unless otherwise stated)	
	As at 31 March 2020	31 March 2019
Non Current Assets		
Property, plant and equipment	4 157.17	174.65
Financial assets investments	5 0.01	0.01
Other non-current assets	6 45.82	41.58
Total non-current assets	42,334.84	42,825.25
Current Assets		
Inventories	7 20,738.75	20,873.76
Financial assets investments	8 50.92	19.92
Debtors	9 34,202.10	29,234.86
Trade receivables	10 177.89	109.83
Cash and cash equivalents	11 80.40	265.29
Bank balances other than cash and cash equivalents	12 654.71	274.22
Prepaid expenses Assets (net)	13 1,822.56	3,948.18
Total current assets	61,123.34	64,448.88
Total Assets	114,372.58	108,514.51

The counterpart will be available on the website of Binny Limited viz., www.binny.com and the performance remains unchanged.

This counterpart should be read in conjunction with the printed Annual Report 2019-20.

We sincerely regret for the inconvenience caused by the matter.

For Binny Limited
Sd/-
I. Vijayarajendra
Chief Financial Officer &
Company Secretary

Date : 08.10.2020

VST INDUSTRIES LIMITED

Regd. Office: A-20/2005
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GRI: 01262-7112026, 01262-7112027
Email: vst@vstindia.com

NOTICE

Notice is hereby given pursuant to Regulation 29(1)(a) read with Regulation 47(1)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 that a Meeting of the Board of Directors of the Company is scheduled to be held on Wednesday, 21 October, 2020, 10:30 AM, to consider and approve the audited financial results for the quarter and half year ended 30th September, 2020.

The information contained in this notice is available on the Company's website www.vstindia.com and also on the website of the Stock Exchange viz. BSE Limited www.bseindia.com and The National Stock Exchange of India Limited www.nseindia.com.

For VST INDUSTRIES LIMITED
PHANIS M. MANGIPUDI
Company Secretary
Place: Hyderabad
Date: 10th October 2020

FOOD CORPORATION OF INDIA

भारतीय खाद्य निधि

TENDER NOTICE

For and on behalf of Food Corporation of India, General Manager (Manufacturing), invites "Online Tenders" under TNO BID No. FTSM/20 through Tendering for appointment of Handling & Transport Contractor for PWS Karanavali and PWS Karai. Tender form and description NIT can be viewed on www.fci.gov.in and www.foodprocurement.gov.in.

Note: Last date for online sale and submission of tender form upto 16:00 hrs, on 24.10.2020.

Date: 09.10.2020

Hindustan Unilever Limited

Registered Office: Unilever House, B. D. Sawant Marg, Chaitany, Andheri East, Mumbai 400 099. CIN: L18140MH1933PLC020206.
Website: www.hul.co.in, Email: investor@hul.co.in
Tel: +91 22 5043 3000 / 5043 3010

NOTICE

Notice is hereby given that a meeting of the Board of Directors of the Company will be held on Tuesday, 20th October, 2020 through Audio-Visual means, inter-alia, to consider the unaudited standalone and consolidated financial results for the quarter and half year ended 30th September, 2020 and to consider the proposal for payment of Interim dividend, if any, for financial year ending 31st March, 2021. The record date for the purpose of determining the entitlement of the shareholders for the interim dividend, if any, has been fixed as Thursday, 29th October, 2020.

For Hindustan Unilever Limited
Dev Bajpai
Executive Director,
Legal and Corporate Affairs
& Company Secretary
Place: Mumbai
Date: 7th October, 2020
DIN: 00050516 / FCS No: F3354

The Notice is also available at Investor Relations section of the Company's website www.hul.co.in and corporate announcement section of www.08.in and www.bseindia.com

