

Ind AS adoption may be deferred to FY24: Bankers

HAMSINI KARTHICK
Mumbai, 5 February

With more time being given for implementation of some of the key reserve requirements, sources said deadline for adoption of the Indian Accounting Standards (Ind AS) by banks may be further extended by two years — to FY24.

Banks were expected to adopt Ind AS from April 1, 2018, though on April 5, 2018, the Reserve Bank of India (RBI) deferred its implementation to FY20. Again, on March 22, 2019, it deferred the accounting standards implementation indefinitely.

“Earlier, there were talks about Ind AS adoption in FY22, but due to the pandemic there was no progress. Now, with the tenure extended in critical reserve and buffer ratios, the implementation is unlikely before FY24,” said a senior executive of a private bank.

In August 2020, the RBI increased limits under Held to Maturity (HTM) instruments from 19.5 per cent to 22 per cent of net demand and time liabilities (NDTL) in respect of statutory liquidity ratio (SLR) eligible securities acquired on or after September 1, 2020. The limit was first increased till March 31, 2021, and subsequently to March 2022 (in October last year). Again, on Friday, RBI governor indicated that the dispensation of enhanced HTM limits would be restored to 19.5 per cent in a phased manner, starting June 30, 2023. “It is expected that banks will be able to plan their investments in SLR securities in an optimal manner with a clear glide path for restoration of HTM limits,” said the statement on developmental and regulatory policies issued by the RBI.

Likewise, the full phase-in of capital conservation buffer (CCB) of 0.625 per cent has also been deferred to October 1, 2021 from April 1, 2021. “Considering the continuing stress on account of Covid-19, and in order to aid the recovery process, it has been decided to defer the implementation of the last tranche of the CCB,” the statement said.

CCB is a buffer that is intended to ensure that banks have an additional usable capital that can be utilised in case of losses.

The transition to full CCB of 2.5 per cent was set to be completed by March 31, 2019.

However, implementation of the last tranche of 0.625 per cent CCB was first deferred in November 2018 and subsequently in September 2020. Globally, banks had a deadline of 2019 to



THE STORY SO FAR

- On April 5, 2018, the Reserve Bank of India deferred implementation of Ind AS by a year to FY20
- In 2019, it again deferred the accounting standards implementation indefinitely
- In August 2020, the RBI increased the limits under Held to Maturity instruments from 19.5 per cent to 22 per cent of net demand and time liabilities in respect to SLR-eligible securities acquired on or after September 1, 2020
- On Friday, the RBI governor indicated that the dispensation of enhanced HTM limits would be restored to 19.5 per cent in a phased manner, from June 30, 2023

implement the CCB in accordance with Basel-III norms.

“Among emerging markets, India is a laggard and delayed implementation of Ind AS and CCB could result in markdown of valuations of banks when they go to the market in FY22,” said a partner of one of the Big Four accounting firms.

Banks say if capital has to be set aside for ‘accounting reasons’, growing the balance sheet may not be possible. Hence, a deferral in Ind AS adoption is welcome. “Without knowing the full impact of Covid on our balance sheets, adoption of CCB is impossible,” said the chief executive officer (CEO) of a private bank.

Budget envisages pvt participation: FM

INDIVIAL DHASMANA
New Delhi, 5 February

Finance Minister Nirmala Sitharaman said on Friday that though the Budget provides for enhanced government capital expenditure, it envisages private sector participation in a big way.

Addressing industry captains during a virtual interaction with the Confederation of Indian Industry (CII) on the Budget, she said stress has been on areas with high multipliers such as infrastructure.

This would facilitate the private sector in areas such as power, roads, ports and airports, among others. Health care and agriculture are the other priorities, she said.

The government will provide some capital to the proposed Development Finance Institution (DFI) and the DFI will also raise funds from the market, Sitharaman said. In addition, the DFI Bill will provide legislative space to private DFIs, she said.

Similarly, the asset reconstruction company (ARC) for the management of non-performing assets (NPAs) will be floated as a holding company by

"CONTRARY TO THE EXPECTATIONS OF A COVID TAX, THE GOVERNMENT HAS CHOSEN TO FUND THE BUDGET STIMULUS THROUGH HIGHER BORROWINGS, RATHER THAN INCREASED TAXES. INTERACTIONS WITH CII HAVE HELPED BRING IN CONTEMPORARY THINKING IN POLICYMAKING"

NIRMALA SITHARAMAN
FINANCE MINISTER



banks themselves, with support from the government.

The Budget raised capex by the government to ₹4.39 trillion in the revised estimates (RE) of the current fiscal year from ₹4.12 trillion in the budget estimates (BE).

It further projected capex to rise to ₹5.5 trillion in the next fiscal year, a

surge of 25.3 per cent over RE of the previous year.

This, together with various packages announced by the Centre for vulnerable sections and to lift the economy out of the Covid impact, meant that the government raise its market borrowings from BE levels of ₹7.8 trillion to ₹12.8 trillion in the RE of 2020-

21. It also projected these borrowings at an elevated level of 12 trillion in the coming year. This gave rise to apprehensions that resources for the private sector could be crowded, which government officials did not agree with.

Sharing the key guiding principles for the Budget, Sitharaman emphasised on transparency. “Contrary to expectations of a Covid-19 tax, the government has chosen to fund the Budget stimulus through higher borrowings, rather than increased taxes,” she said. Urging a continued dialogue, Sitharaman said her interactions with the CII helped bring in ‘contemporary thinking in policy making’.

The finance minister promised an ‘honest leakage-free implementation’ of the Budget proposals.

CII president Uday Kotak said the Budget was an example of an outstanding policy document which addresses the needs of the economy. Kotak appreciated the boldness of the Budget announcements, and the focus on growth and transparency.

He complimented the Budget team for the mindset of encouraging private enterprise and respecting the markets.

Railways, AAI not part of privatisation policy

NIKUNJ OHRI & INDIVIAL DHASMANA
New Delhi, 5 February

Government departments, such as Railways, Posts, Airports Authority of India, major port trusts, and those that undertake commercial operations with development mandate, will not come under the ambit of the new PSU privatisation policy announced in the Union Budget 2021-22.

Public sector enterprises acting as regulatory authorities, autonomous organisations, trusts, and development financing institutions will also be out the ambit, according to the details of the policy.

The policy divides public sector enterprises into strategic and non-strategic ones. The strategic sector includes atomic energy, space and defence, transport and telecommunications, power, petroleum, coal and other minerals, and banking, insurance and financial services.

In strategic sectors, a “bare minimum” presence of the existing public sector commercial enterprises at the holding company level will be retained under government control. The remaining will be considered for pri-

vatation, or merger or ‘subsidiarisation’ with other public sector enterprises, or closure. Public sector enterprises in non-strategic sectors will be considered for privatisation wherever feasible, or else they will be considered for closure.

Public sector enterprises that have been created through the Acts of Parliament, such as Food Corporation of India, those maintaining critical data bearing national security, Security Printing and Minting Corporation of India, and not-for-profit companies created for various promotional activities will also be exceptions.

Public sector enterprises assisting farmers in getting access to seeds and other such help, those created for providing financial assistance to Scheduled Castes, Scheduled Tribes, minorities, and other backward classes will also not be part of the policy.

Bare minimum presence

The “bare minimum” presence of government-owned companies in strategic sectors will be counted at the holding company level, and not at the level of their subsidiaries and joint ventures.

PNB net profit drops 18% QoQ in Q3

NIKUNJ OHRI
New Delhi, 5 February

Punjab National Bank reported an 18 per cent quarter-on-quarter drop in its standalone net profit to ₹506 crore in the December quarter (Q3). The state-owned bank’s net interest income dropped marginally by 1 per cent to ₹8,313 crore in Q3, compared with the previous quarter. In the third quarter of last financial year, PNB had reported a net loss of ₹492 crore.

On a year-on-year basis, the bank’s net interest income – the difference between interest earned through lending and interest paid to depositors – grew 28 per cent. It grew 22 per cent to ₹23,539 crore during the April-December period.

The year-on-year

numbers are not comparable as Oriental Bank of Commerce, United Bank of India merged into Punjab National Bank from April 1, 2020.

The bank’s gross non-performing assets ratio dropped by 44 basis points to 12.99 per cent from 13.43 per cent as of September. The bank’s net NPA ratio was at 4.03 per cent in Q3, a 4.75 per cent sequential decline.

The lender has not classified any account that was not an NPA as on August 31, 2020, as a bad loan based on the Supreme Court’s blanket ban on fresh recognition of soured loans. However, the public sector bank has made a contingent provision of ₹2,520 crore for such accounts that were not classified as NPA.

CANTABIL RETAIL INDIA LIMITED
Registered Office: B-16, Ground Floor, Lawrence Road Industrial Area, Delhi - 110035
Corporate Identity Number (CIN): L74899DL1989PLC034995
Tel: 91-11-27156381/82 | Telefax: 91-11-27156383, E-mail: investors@cantabilinternational.com
Website: www.cantabilinternational.com

NOTICE
The Company hereby inform that the Board of Directors has at its meeting held on Friday, February 5, 2021, declared an interim dividend of Rs 1- (Rupees One Only) per share i.e @10% on equity share of face value of Rs 10/- (Rupees Ten only) each of the company. The interim dividend will be paid within 30 day from declaration to those share holders whose names appear in the Register of Members of the Company on the record date fixed for this purpose i.e. Monday, February 15, 2021.

For CANTABIL RETAIL INDIA LIMITED
Sd/-
Date: 5th February, 2021
Place: New Delhi
POONAM CHAHAL
Company Secretary and Compliance Officer

ESAB INDIA LIMITED
CIN: L28299TN1987PLC058738
Regd. Office: Plot No.13, 3rd Main Road, Industrial Estate, Ambattur, Chennai 600 058.
Telephone No: 044-4228 1100 | Email id: investor.relations@esab.co.in

NOTICE is hereby given that the following share certificates issued by the company are stated to have been lost or misplaced or stolen and the registered holders of the shares have applied to the company for issue of duplicate share certificate.

NAME OF THE SHAREHOLDER	Folio No.	Certificate No.	Distinctive Nos.	Shares
E B PANDIT	E00523	6455	2639608 - 2639707	100
R B PANDIT				

The public are hereby informed that the above mentioned shares have already been transferred to Investor Education and Protection Fund and the registered holder have now applied for issue of duplicate share certificate.

The public are hereby warned against purchase or dealing in any way with the above said share certificates. Any person(s) who has/have any claim(s) in respect of the said share certificates should lodge such claim(s) with the company at its registered office at the address given above within 15 days of the publication of the notice, after which no claim will be entertained and the share holder will apply to IEPF Authority for refund of shares and dividends. Any person dealing with the above said shares will be doing so at their own risk.

Place : Chennai
Date : 5 February, 2021
For ESAB India Limited
S. Venkatarishnan,
Company Secretary

Following 4-pronged approach to minimise compliance burden on businesses: DPIIT secy

NIKUNJ OHRI
New Delhi, 5 February

The government is following a four-pronged approach to reduce the compliance burden on businesses and promote ease of living, said DPIIT Secretary Guruprasad Mohapatra.

These are decriminalising minor offences in all central government laws, removing redundant laws, introducing citizen governance, and easing license requirements for businesses, Mohapatra told journalists.

Ministries have asked to identify outdated laws, rules and regulations that “do not promote ease of living or ease of doing business”, Mohapatra said. About

1,400 such Acts have already been removed since the government came to power, he said. Citing an example of recent reforms, he said the government relaxed the norm for attestation of documents. “In times of adversity it has helped everyone. Simple initiatives have removed irritants,” he said. A number of state legislation like Shops and Establishment Act, Labour Act, Civil Supplies Act are being reviewed.

Lastly, ministries and states have to identify compliance hurdles for trade and businesses based on the feedback from their representative bodies by March 31. For instance, renewal of facilities, like shops, can be done away with, he said. After registration, let such establishments continue without any renewals, till they

want to continue, he added. Renewals are necessary, they should not be mandated annually, but for about five years or so. Also being explored is if registrations, inspections can be made faceless and automated.

PLI scheme for all sectors by March-end

Mohapatra said the production-linked incentive (PLI) scheme announced by the government for 10 additional sectors, besides mobile equipment manufacturers, medical devices, and active pharmaceutical ingredients, will be notified before the end of the ongoing fiscal year.

“The PLI scheme will promote global champions in India for the world,” Mohapatra said.

GPT GROUP
GPT INFRAPROJECTS LIMITED
Registered Office : GPT Centre, JC - 25, Sector - III, Salt Lake, Kolkata - 700 106
CIN - L20103WB1980PLC032872, Phone - 033 - 4050 7000, Fax - 033 - 4050 7999
Email: gil cosec@gptgroup.co.in, Website - www.gptinfra.in

Extract of Unaudited Consolidated Financial Results for the quarter and nine months ended December 31, 2020 (₹ in lacs)

Particulars	Quarter Ended	Year to date Ended	Quarter Ended
	31.12.2020 (Reviewed)	31.12.2020 (Reviewed)	31.12.2019 (Reviewed)
1 Total Revenue from operations	17,060.90	39,697.82	15,785.69
2 Net Profit before tax from ordinary activities	794.60	1,800.52	847.01
3 Net Profit after tax from ordinary activities	493.96	1,182.52	628.41
4 Total Comprehensive income for the periods / year	544.47	1,547.47	904.73
5 Equity Share Capital of face value of ₹ 10/- each	2,908.60	2,908.60	2,908.60
6 Other Equity (Excluding Revaluation Reserve) as on 31.03.2020 - ₹ 19,560.91 lacs			
7 Earning Per Share (of ₹ 10/- each) (Not annualised)* Basic and Diluted	1.70*	4.07*	2.16*

1 Additional information on standalone financial results are as follows : (₹ in lacs)

Particulars	Quarter Ended	Year to date Ended	Quarter Ended
	31.12.2020 (Reviewed)	31.12.2020 (Reviewed)	31.12.2019 (Reviewed)
(a) Total Revenue from operations	16,109.93	36,939.30	14,834.05
(b) Profit before taxes form ordinary activities	935.26	1,620.71	585.14
(c) Profit after taxes from ordinary activities	669.40	1,128.49	459.07
(d) Total Comprehensive income for the period	669.40	1,128.49	459.07

2 The above is an extract of the detailed format of Standalone and Consolidated Financial Results for the quarter and nine months ended December 31, 2020 filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the Consolidated and Standalone Financial Results for the quarter and nine months ended December 31, 2020 are available on the Stock Exchange websites (www.bseindia.com and www.nseindia.com) and on the Company's website www.gptinfra.in.

3 There are no extra ordinary items during the above periods.

For and on behalf of Board of Directors
D. P. Tantia
Chairman
DIN - 00001341
Place : Kolkata
Date : February 05, 2020

AVTIL ENTERPRISE LIMITED
CIN: L70103MH1989PLC2027263
Regd. Office: 1/204, Navjivan Soc. 2nd Fl, Lamington Rd, Mum-8 Tel: 23092826 Email: info@avtilinvest.com Website: www.avtilinvest.com

NOTICE
Notice is hereby given that Pursuant to Regulation 47(1) of the SEBI (Listing Obligation & Disclosure Requirement), 2015, the meeting of Board of Directors of the Company will be held on Saturday, February 13, 2021 at 2.00 p.m at the Registered Office of the Company inter alia, to consider and approve the Unaudited Financial Results for the quarter and nine months ended December 31, 2020 Pursuant to Regulation 47(2) of this Notice is also available on the website of the Company (www.avtilinvest.com) & the BSE Limited (www.bseindia.com).

For AVTIL Enterprise Limited
Date: February 05, 2021
Place: Mumbai
Sd/-
Dharmistha Darji
Company Secretary & Compliance Officer

G.S. AUTO INTERNATIONAL LTD.
G.S. ESTATE, P.O BOX 711,
G.T. ROAD, LUDHIANA-141003 (INDIA)
Phones: 0091-161-2511001-5 (5 Lines)
Fax: 0091-161-2510885
Website: www.gsgruppindia.com.
CIN No. L34300PB1973PLC003301

COMPANY NOTICE
Pursuant to Regulation 47(1)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Notice is hereby given that the meeting of the Board of Directors of the Company is scheduled to be held on **Saturday, the 13th day of February, 2021** at the Registered Office of the Company at G.S. Estate, G.T. Road, Ludhiana, inter-alia to consider, approve and take on record the Un-Audited Financial Results for the Quarter/ Nine months' ended 31st December, 2020. The information contained in the Notice is also available on the following websites:
1. G.S. Auto International Limited (www.gsgruppindia.com)
2. BSE Limited (www.bseindia.com)

For G.S. Auto International Limited
Sd/-
(Jasbir Singh Ryali)
Chairman &
Place : Ludhiana Jt. Managing Director
Date : 06.02.2021
DIN: 00104979

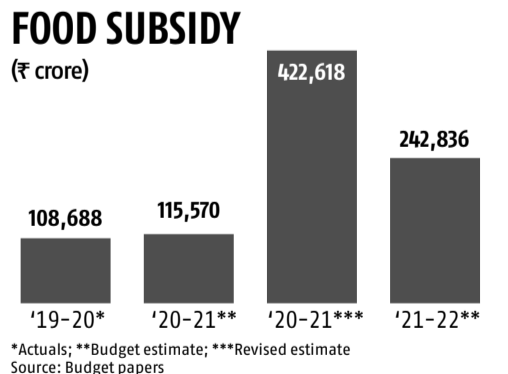
Budget may help pare FCI dues, but risk of cost overrun remains

SANJEEB MUKHERJEE
New Delhi, 5 February

The decision to allocate almost 10 per cent of the ₹34.5-trillion FY21 government expenditure to Food Corporation of India (FCI) may wipe off much of its dues and outstanding loans, but officials and experts have cautioned that concrete steps must be taken for food subsidy provisioning through budgetary allocation to contain a cost overrun.

The Budget has allocated around ₹4.22 trillion for food subsidy. Of this, FCI's share is around ₹3.44 trillion. The rest is meant for making payment to decentralised procurement states.

Of the FCI allocation, around ₹2.18 trillion will go towards clearing the National Small Savings Fund (NSSF) loans. Even after that, around ₹1.26 trillion of NSSF outstanding loan will have to be cleared by the FCI. A source pointed out that the Centre would need to provide another ₹1.5 trillion to meet FCI's subsidy requirement, besides ₹30,000-40,000 crore for decentralized procurement states every year to manage



the expenses and dues.

Officials have also warned against off-budget borrowing as has been the practice in the recent years.

“FCI usually gets around 95 per cent of the Budget requirement in a given financial year while the remaining is transferred after the books are audited. But for the last few years, just 50-55 per cent of this was given as budgetary support while for the rest we had to borrow from the NSSE,” a senior official explained. This resulted in the interest burden piling up to almost ₹30,000 crore from ₹5,000 crore earlier.

The subsidy burden is incurred primarily due to distribution of around 60

million tonnes of grains at subsidized rates of ₹3 per kg for rice, ₹2 per kg for wheat and ₹1 per kg for coarse cereals.

An official said a one-rupee increase in the central issue price of grains could lower the food subsidy by almost ₹6,000 crore annually. But it's a political call, he added.

The 2020-21 Economy Survey recommended increasing the CIP of grains to cut the rising food subsidy. For procuring mountains of grains, FCI does not incur any subsidy directly. But, the interest that FCI pays every year on its borrowing forms part of the economic cost which is used to calculate the final subsidy burden.

Every year, FCI needs around ₹1 trillion as working capital to meet its procurement of around 80 million tonnes of grains against a requirement of around 60 million tonnes. The surplus is carried over, adding to the overall cost.

Experts are now advocating adequately incentivising farmers to shift from growing paddy and wheat towards more lucrative crops to control the subsidy.

According to former FCI chairman Alok Sinha, stopping open-ended procurement is not feasible. But, getting farmers to move to lucrative crops through incentives could be a way forward.