



5th April, 2022

Corporate Relations Department  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai – 400 001  
Scrip Code: 501301

National Stock Exchange of India Ltd.  
Exchange Plaza  
Bandra-Kurla Complex  
Bandra (E)  
Mumbai 400 051  
Symbol: TATAINVEST

Dear Sir/Madam,

**Sub: Transfer of Shares to Investor Education and Protection Fund (IEPF)**

Pursuant to Regulation 30 read with Schedule III Para A, of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose the Copy of Newspaper Advertisements published in:

Sr. No.	Name of Newspaper(s)	Publication Date	Edition(s)
1.	Business Standard (English)	5th April, 2022	All
2.	Navshakti (Marathi)		Mumbai

The circular letters were also sent to the shareholders who have not claimed their dividends for seven or more consecutive years and whose shares are liable for transfer to the Demat Account of IEPF Authority pursuant to Section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 notified by the Ministry of corporate Affairs, as amended from time to time.

This is for your information and records.

Yours faithfully,

**TATA INVESTMENT CORPORATION LIMITED**

**(MANOJ KUMAR C V)  
CHIEF FINANCIAL OFFICER  
COMPANY SECRETARY**

Encl: as above

**TATA INVESTMENT CORPORATION LIMITED**

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# Why BPCL divestment is on the slow track

Delays in due diligence, policy opacity and now the Ukraine crisis have brought the process to a near-standstill

SHINE JACOB  
Chennai, 4 April

In December 2019, the India arm of Deloitte Touche Tohmatsu surprised many with its ultra-competitive bid to become the transaction advisor for the country's largest strategic disinvestment in Bharat Petroleum Corporation (BPCL). The multinational major quoted just ₹1; the second-highest bidder, SBI Caps, reportedly quoted ₹15-17 crore.

For Deloitte, the motivation was to bag a prestigious deal adding a national energy company to its portfolio. No doubt, it expected BPCL to go to a marquee buyer in quick time. But 27 months later, in March 2022, the much hyped deal was stuck. Procedural snags slowed the process initially; now the Ukraine crisis has complicated matters to an extent that a deal on BPCL is unlikely to happen anytime soon.

According to a source, the government "may consider coming out with a revised expression of interest (EOI)", that may either offer less than the current 52.98 per cent stake or separate the refining and retail businesses and offer them as discrete units. Neither the government nor BPCL has issued an official communication, while the Budget did not mention the issue.

This inactivity is not on account of a lack of investor interest. Billionaire Anil Agarwal's Vedanta, Apollo Management and THINK Gas, promoted by I Squared Capital, have all made overtures. But, a company official pointed out that in the last six months, nothing happened in terms of physical due diligence of BPCL. "None of the prospective bidders have visited our units or asked any questions as of now," the source added, though prospective bidders had access to the refiner's financial data almost a year back.

The government has said



BPCL's due diligence is yet to be completed. This step is critical because the transaction advisers can invite financial bids through request for proposal (RFP) documents to qualified shortlisted bidders only after due diligence is completed. The transaction adviser and asset valuer will submit their independent valuation reports in sealed covers, which will determine the reserve price only after the process of financial bidding is complete.

What explains this tepid response? One major roadblock is the lack of clarity with regard to the government control on prices. With the current volatility in international prices, experts indicate none of the serious bidders will be keen unless the government clarifies on its control over fuel prices. Recent developments underline their apprehensions. Ahead of Assembly elections in Uttar Pradesh, Punjab, Uttarakhand, Goa and Manipur, fuel prices remained untouched for almost 4.5 months (since

November), putting pressure on the state-owned oil marketing companies. The prices of international crude at that time were around \$82 a barrel against \$103 levels today.

A report by Moody's Investors Services added that state-owned refining and marketing companies may be unable to fully pass on the recent spike in crude oil prices to the final consumer. "As a result, profitability will weaken. Higher crude oil prices also increase refiners' working capital requirements resulting in incremental borrowings and weaker credit metrics," it added.

"Oil marketing companies were losing ₹15-20 a litre on prices at one point. How can a private player sustain operations if it is unable to sell the product at the price they want? Existing private players are managing because they hedge domestic sales against exports," said a senior industry expert in terms of anonymity.

Global sanctions against Russia would be another cause of concern for a global player because BPCL has upstream oil and gas assets in Russia. Moody's indicated that import bans and international sanctions on Russia may constrain the future cash flow-generating capacity of these assets and lead to impairment losses for the companies.

A company official added,

"We can blame the delay on Covid for only six months. After that lack of interest by the investors resulted in the delay." Also, with the government announcing aggressive targets for electric vehicles by 2030, the future of a company like BPCL is not clear before a prospective bidder. "If the government is talking about decarbonisation, it should mention the future of BPCL, too, in such a scenario. This may be the reason why big players like Saudi Aramco stayed away from the process," the official pointed out.

Industry experts are also not keen on the option of separating marketing and refining businesses for sale. Sources say that such revised expressions were floated multiple times in the case of Air India, too. "If marketing and refining are not integrated it will not make sense for a buyer. Moreover, a lot of common infrastructure is shared between BPCL and other oil PSUs. Why will an IOC share its infrastructure with a private player? These questions are still unanswered," said one of them.

Based on the current market cap of ₹81,173 crore, the value of the 52.98 per cent stake in the company is expected to be around ₹43,000 crore. But with so many uncertainties, including a war, the plan for divestment of BPCL is likely to stay on the slow track.

spending needs, especially toward the end of the civil war and afterwards. Sri Lanka therefore embarked on a binge of foreign borrowing in the early part of this century, propelling its debt-to-exports ratio to a whopping 270 per cent. Moreover, this debt has become increasingly onerous, with the share of non-concessional borrowing rising from about 25 per cent to close to 70 per cent. The debt has already proved unmanageable, and Sri Lanka has had to pay a humiliating price, handing over the Hambantota port and land to China in order to settle some of it.

A final factor adding to Sri Lanka's vulnerability has been a sharp deceleration in export growth since 2000, well before the collapse in world trade. In fact, Sri Lanka was deglobalising for nearly a decade while the rest of the world was hyper-globalising. That, too, was related to social conflict.

It remains to be seen what political direction Sri Lanka will take under Rajapaksa. But if the government pursues non-inclusive policies, this almost certainly will lead to weak resource mobilisation, continuing dependence on external financing on onerous terms, low rates of foreign direct investment, and stagnant export growth. In these circumstances, macroeconomic stability will remain elusive.

The challenge for Sri Lanka's new president is as simple as it is stark: to prevent South Asia's one-time Scandinavia from becoming its Argentina.

(This piece was written many months before the current crisis in Sri Lanka, but provides an analysis that is relevant)

Arvind Subramanian is a senior fellow at Brown University and a distinguished non-resident fellow at the Center for Global Development

# Is Sri Lanka the next Argentina?



As Sri Lanka makes another crucial political transition, it faces a major risk of macroeconomic instability. Minimising that risk will depend, above all, on whether the country's newly elected president, Gotabaya Rajapaksa, can defy his reputation and embrace inclusive politics.

This idyllic island in the Indian Ocean was once a star performer. In the years following independence in 1948, progress on leading social indicators such as poverty, infant mortality, and primary education put Sri Lanka well ahead of its neighbours — India, Pakistan, and Bangladesh — and was the envy of much of the developing world. But, for several decades now, divisiveness and conflict have been the serpent in this paradise.

As a result, Sri Lanka has been strikingly prone to macroeconomic instability. According to data compiled by Carmen Reinhart and Christoph Trebesch, the country has spent nearly 70 per cent of the last four decades in macroeconomic stabilisation programmes with the International Monetary Fund. In South Asia, only Pakistan has spent a greater proportion of this period under the IMF's

supervision. Bangladesh has had Fund programmes around 50 per cent of the time, and appears to have graduated from IMF tutelage in 2015. And India has had IMF programmes only about 15 per cent of the time, and none since 1995.

Macroeconomic instability reflects deeper social and political factors. According to the late Albert Hirschman, one of the leading thinkers on economic development, "It has long been obvious that the roots of inflation ... lie deep in the social and political structure in general, and in social and political conflict and conflict management in particular." Even Milton Friedman, who famously said that inflation was "always and everywhere a monetary phenomenon", conceded that it had deeper social causes.

Essentially, macroeconomic pathologies arise from conflicts over how to divide the economic pie. Unless these conflicts are resolved, they lead to unsustainable fiscal deficits, excessive foreign borrowing, inflation, and exchange-rate instability. Latin American macroeconomic irresponsibility, exemplified by Peronism in Argentina, involved favouring urban and government workers. Sub-Saharan Africa's periodic crises, meanwhile, often reflect ethnic and regional conflicts. More generally, Dani Rodrik has shown that external shocks give rise to macroeconomic instability when a society's mechanisms

for burden-sharing do not work effectively.

Sri Lanka suffers from cleavages along many different lines, notably ideology, ethnicity, language, and religion. Michael Ondaatje's gorgeously sensitive novel, *Anil's Ghost*, captures the human, personal consequences of these conflicts.

Arguably, Sri Lanka's original sin was the assertion of linguistic dominance in enshrining Sinhala as the only official language in the 1956 constitution. By the 1970s, Sri Lanka was facing a communist insurgency. Then came the decades-long ethnic conflict involving the Tamils, which nearly tore the island asunder. After that war's brutal conclusion in 2009, religious cleavages came to the fore, reflected in the Easter bombings in 2019 by Islamic extremists.

These conflicts have exacted a heavy economic toll. Societies with stable social and economic compacts between citizens and the state

tend to have healthy rates of tax collection, reflecting a broad willingness to share the burden of paying for the services the state provides. But in Sri Lanka, the ratio of tax revenue to GDP is less than 12 per cent, with income taxes accounting for less than a quarter; these are extraordinarily low figures given the country's relative prosperity.

This revenue was manifestly insufficient to cover the government's

**Sri Lanka's original sin was the assertion of linguistic dominance in enshrining Sinhala as the only official language in the 1956 constitution**

## ON SENTIMENTS

# Consumer sentiment's recovery path



MAHESH VYAS

Consumer sentiments continue to improve slowly but steadily. Except for one retreat in December, the index has risen every month since the setback it suffered during the second wave of Covid-19 during April, May and June 2021. The index of consumer sentiments has risen cumulatively by 36.8 per cent between June 2021 and March 2022. It has also risen an apparently impressive 56.6 per cent since its fall to its nadir in May 2020.

The problem is that this recovery is grossly inadequate and the rate of recovery is not only too slow but is also slowing down. Consumer sentiments fell dramatically by over 60 per cent in three months between February and May 2020. The 56.6 per cent recovery from the nadir still leaves consumer sentiments a substantial 38 per cent short of its pre-Covid level of February 2020.

The 60 per cent fall in consumer sentiments between February and May 2020 translates into a rate of decline of 26.6 per cent per month. In comparison, the rate of recovery has been far too slow. The recovery from the middle of the first wave and just before the

beginning of the second wave of Covid-19, i.e. between May 2020 and March 2021, the index of consumer sentiments increased at the rate of just 3.1 per cent per month. Even this miserable rate of improvement in consumer sentiments was interrupted by a rather sharp fall in sentiments in the second wave of Covid-19.

During the second wave of Covid-19, sentiments fell at the rate of 5.5 per cent per month. While this is not as sharp as the fall in the first wave, it is much sharper than the rate of recovery. As a result, sentiments retreated a lot more in the three months of the second wave than they gained in the three months preceding it. The second wave, in fact, wiped out gains in sentiments made in the six months between September 2020 and March 2021.

Worse still, the rate of recovery of consumer sentiments has slowed after the second wave of Covid-19. While the rate of recovery in sentiments after the first wave was 3.1 per cent per month, the rate of recovery after the second wave is lower at 2.6 per cent per month.

If the index of consumer sentiments continues to grow at this rate then by the end of this fiscal year, i.e. by March 2023, the index would still be about 15 per cent lower than it was in February 2020, i.e. before the pandemic. This does not bode well for the recovery of the Indian economy. Depressed consumer sentiments will impact consumer spending and therefore, growth in private final consumption expenditure that accounts for about 55 per cent of India's GDP.

The rate of change in the index of consumer sentiments has been much better during the recent months. In March 2022, the index of consumer sentiments expanded by 3.7 per cent. It had expanded by 5 per cent in February and by 4 per cent in January. The average monthly rate of increase in consumer sentiments works out to 4.23 per cent during the past three months. If we assume that the index of consumer sentiments would continue to grow at this average rate then by March 2023, it would finally cross the pre-Covid levels. If that happens, it would be a three-year recovery process.

The recovery seems to have a simple condition for its success — there should be no economic shocks on the way. Sentiments are quite sensitive to large shocks like lockdowns. At the all-India level, sentiments are quite resilient to smaller disturbances. The all-India index of consumer sentiment has shown relative stability in the face of electoral outcomes or political disturbances. Apparently, electoral outcomes do not seem to change the perceptions of consumers regarding their own immediate or future well-being. The relatively better performance of the agricultural sector during the pandemic period is reflected in the rural index of consumer sentiments. The March 2022 index of consumer sentiments was 38 per cent lower than its level in February 2020. However, while the urban index of consumer sentiments fell by 44 per cent during this period, the rural index fell by a much lower 35 per cent. As a result, it would help if agriculture continued to perform well during 2022-23 as well to enable consumer sentiments to recover by the end of the year.

The economic recovery of 2021-22 has been accompanied by high inflation and high unemployment. But, these have not stopped consumer sentiments from rising during this period. Thus, while the risk of higher inflation is elevated and while it is also unlikely that the unemployment rate would recede, their impact on consumer sentiment during 2022-23 may not be significant.

Past data shows that while there is a clear risk of economic shocks and that sustained growth in agriculture helps, there are no known triggers to accelerate the recovery of consumer sentiments. There have been no stimuli recently that could have directly elated household sentiments. The recovery in sentiments, therefore, seems to be cruising in some kind of an auto-pilot mode. Unhindered, its trajectory is headed towards a recovery to pre-pandemic levels by March 2023.

The writer is MD&CEO, CMIEPLtd

## Aditya Birla Sun Life Mutual Fund



Aditya Birla Sun Life AMC Limited (Investment Manager for Aditya Birla Sun Life Mutual Fund) Registered Office: One World Center, Tower 1, 17th Floor, Jupiter Mills, Senapati Bapat Marg, Elphinstone Road, Mumbai - 400 013. Tel.: 4356 8000. Fax: 4356 8110/8111. CIN: L65991MH1994PLC080811

### Notice

#### Withdrawal of New Fund Offer

**NOTICE IS HEREBY GIVEN** that the launch of New Fund Offer of Aditya Birla Sun Life Fixed Term Plan – Series TR (1169 days), A Close ended Income Scheme. A relatively high interest rate risk and relatively low credit risk, stands withdrawn.

**For Aditya Birla Sun Life AMC Limited**  
(Investment Manager for Aditya Birla Sun Life Mutual Fund)

Sd/-

**Authorised Signatory**

Place : Mumbai

Date : April 4, 2022

**Mutual Fund investments are subject to market risks, read all scheme related documents carefully.**

Size: 16 cms (w) x 10 cms (h)

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## TATA INVESTMENT CORPORATION LIMITED

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### NOTICE

**Sub: Transfer of Equity Shares of the Company to Demat Account of the Investor Education and Protection Fund (IEPF) Authority**

Pursuant to the provisions of Section 124(6) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (Rules), as amended from time to time, the Company is mandated to transfer all the shares, in respect of which dividends have not been claimed for seven consecutive years or more to the demat account of IEPF Authority. However, the Company will not transfer such shares to Demat Account of IEPF Authority where there is a specific order of Court or Tribunal or Statutory Authority restraining any transfer of such shares and payment of dividend or where such shares are hypothecated or pledged under the provisions of the Depositories Act, 1996.

As per SEBI circular dated November 3, 2021 and December 14, 2021 outstanding payments will be credited directly to the bank account if the folio is KYC Compliant. **Payment can be made to shareholders holding shares in physical form if the folio is KYC compliant.**

In compliance with the said Rules, the Company has communicated individually to the concerned shareholders at their registered address, whose shares are liable to be transferred to the Demat account of IEPF Authority requesting them to claim their dividend amount latest by **12<sup>th</sup> September, 2022**. The Company has also published the Notices in Business Standard and Navshakti respectively to that effect. The Company has also uploaded on its website: [www.tatainvestment.com](http://www.tatainvestment.com) under Investor Information section, the details of such shareholders whose shares are liable to be transferred to the IEPF Authority.

The concerned shareholders are requested to verify the details of their unclaimed dividend and the shares liable to be transferred to the IEPF Demat Account. Shareholders may further note that the details of the concerned shareholders uploaded by the Company on its website shall be deemed as adequate notice in respect of issue of the new share certificate(s) by the Company / Corporate Action for the purpose of transfer of shares to IEPF Demat Account pursuant to the Rules.

The Company shall take necessary steps to transfer the concerned shares held by such shareholders in physical or demat form to the Demat account of IEPF Authority after **12<sup>th</sup> September, 2022** in accordance with the notification dated 13<sup>th</sup> October, 2017 and General Circular No. 12/2017 dated 16<sup>th</sup> October, 2017 issued by the Ministry of Corporate Affairs. The concerned shareholder(s) are further informed that all future benefits arising on such shares would also be transferred to the IEPF Authority.

The shareholders may please note that no claim shall lie against the Company in respect of the shares and all future benefits thereof credited to the account of IEPF Authority. In case the concerned shareholders wish to claim the said shares along with the benefits after transfer to IEPF, a separate application has to be made to the IEPF Authority in Form IEPF-5, as prescribed under the Rules and the same is available at IEPF website i.e., [www.iepf.gov.in](http://www.iepf.gov.in). The link of the e-Form IEPF-5 is also available under the Investor Information section on the website of the Company at [www.tatainvestment.com](http://www.tatainvestment.com). For further information/ clarifications, Shareholders may communicate to the Company's Registrar & Transfer Agent- TSR Darashaw Consultants Private Limited, C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli West, Mumbai 400 083, Tel: +91 22 6656 8484, Fax: +91 22 6656 8494, Email: [cs-unit@tclindia.co.in](mailto:cs-unit@tclindia.co.in), Website: [www.tclindia.co.in](http://www.tclindia.co.in).

For Tata Investment Corporation Limited

Sd/-

Manoj Kumar C V

Chief Financial Officer and Company Secretary (Nodal Officer)

Mumbai  
April 4, 2022



