

Listed firms saw exit of an auditor every 15 days

This is lower than 2.3 resignations per fortnight on average in FY20

SACHIN P MAMPATTA
Mumbai, 19 October

On an average, one auditor of a listed company has prematurely resigned every two weeks this financial year.

There have been 15 exits since April, shows a Business Standard analysis of data from corporate tracker primeinfobase.com.

This is still lower than the 2.3 resignations seen per fortnight on an average in 2019-20 (FY20). The exits reflect the stress that auditors continue to find themselves under, according to people watching the space.

The exits seem to have gathered momentum in recent times with five of them coming since September. Companies that saw exits recently include TGB Banquets and Hotels, AKG Exim, Asian Hotels (West), Value Industries and Videocon Industries.

Increased scrutiny from various regulatory authorities have played a role in making auditors more careful about their assignments in general, according to Shriram Subramanian, founder and managing director (MD) of InGovern Research Services, a corporate governance advisory firm. There is an increased regulatory onus on auditors who signed on financial statements in the last few years.

Subramanian pointed out that the National Financial Reporting Authority (NFRA) had observed deficiencies when it conducted an audit quality review of IL&FS Transportation Networks (ITNL).

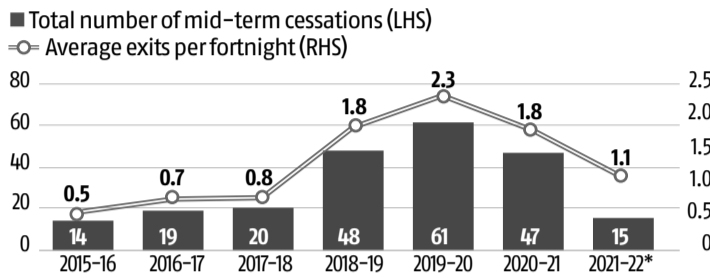
The NFRA, which monitors audit and accounting standards and ensures compliance, came out with its observations in September. This resulted in the resignation of ITNL's auditor SRBC & Co. (on October 5).

Separately, the Reserve Bank of India (RBI) had barred Harihbhakti & Co. from auditing RBI-regulated entities for two years. This was announced on October 12 and was due to failure to comply with specific directions issued by the RBI.

Auditors would rather exit a company and let go of the fee than face



COUNTING THE EXITS



regulatory action, said Subramanian. "All these are pressures," he added.

The NFRA report observed, among other things, that ITNL's financial exposure to subsidiaries, associates and joint ventures worth ₹3,346 crore was not properly valued. Also, the company's losses were understated by ₹2,021 crore in 2017-18, it said.

The audit firm resigned as ITNL auditor following the NFRA report, stating that it discharged "duties in good faith, in a bona fide manner, and in compliance with applicable laws and standards."

"This action has been taken on account of failure on the part of the audit firm to comply with a specific direction issued by the RBI with respect to its statutory audit of a systemically-important non-banking financial company," said the RBI direction barring Harihbhakti & Co.

Many audit firms have been asking for higher fees in recent times. Differences of opinion over the amounts to be charged may also be a

factor in some exits, according to Amit Tandon, founder and MD of Institutional Investor Advisory Services India (IIAS). The firm advises investors on governance issues.

The top four audit groups' stand-alone audit fees have increased by 30.5 per cent over the last three years to touch ₹405.2 crore in 2019-20, shows data from primeinfobase.com.

Tandon added that while he'd like to believe that greater scrutiny and better checks and balances have improved the quality of data available to investors, it may be too soon to say so definitively. "I'm not sure I'd jump to the conclusion..." he said.

Commercial reasons figured in five out of the 15 mid-term cessations so far in FY21. Other reasons given for exit include preoccupation, delay in submission of financial results to auditors or disqualification by the Institute of Chartered Accountants of India (ICAI).

Except SRBC, companies and auditors did not immediately respond to a request for comment.

Go passive-active in mid-, small-cap segments

Earn market returns with passives; go for alpha with smaller allocation to active funds

SANJAY KUMAR SINGH

The new fund offer (NFO) of ICICI Prudential Smallcap Index Fund is underway (it closes on October 26). Many similar index fund options are available now within the mid- and small-cap segments from fund houses like Aditya Birla Sun Life, ICICI Prudential, Motilal Oswal and Nippon India.

Active funds have outperformed

A look at the latest SPIVA (S&P Indices versus Active Funds) India scorecard for mid-2021 shows that the benchmark outperformed nearly 66 per cent of large-cap active funds over 10 years. In comparison, mid- and small-cap funds fared better, with 59.7 per cent outperforming the benchmark.

"The long-term performance of active funds in these segments is still decent," says Deepesh Raghaw, founder, Personal Finance Plan, a Securities and Exchange Board of India-registered investment advisor.

However, there is a caveat here. "The SPIVA report (for mid-2019, when it last had data on style consistency) showed that 74 per cent of mid-cap-small-cap mutual funds either got merged into other funds or changed their category over the past 10 years. Hence, there is insufficient statistically significant data to draw robust conclusions," says Avinash Luthria, a Sebi-registered investment advisor and

INDEX FUNDS OFFER LOW-COST ADVANTAGE

Fund	Expense ratio (%)
Motilal Oswal Nifty Midcap 150 Index Fund	0.2
Nippon India Nifty Midcap 150 Index Fund	0.2
Motilal Oswal Nifty Smallcap 250 Index Fund	0.3
Nippon India Nifty Smallcap 250 Index Fund	0.3

FUND SIZES ARE SMALL

Fund	AUM (₹ cr)
Motilal Oswal Nifty Midcap 150 Index Fund	357.8
Nippon India Nifty Midcap 150 Index Fund	177.0
Aditya Birla Sun Life Nifty Midcap 150 Index Fund	53.1
Motilal Oswal Nifty Smallcap 250 Index Fund	220.6
Nippon India Nifty Smallcap 250 Index Fund	212.5
Aditya Birla Sun Life Nifty Smallcap 50 Index Fund	39.5

Figures are for direct, growth plans
Source: MFI Explorer

founder, Fiduciaries.

Passive strategy is easy to execute

Proponents of the passive approach concede that some active fund managers will always beat their benchmarks. "The problem lies in predicting in advance which funds will outperform over the next 5-10 years," says Vishal Jain, head-Exchange Traded Funds, Nippon Life India Asset Management.

As the markets get more efficient, beating the benchmarks will get harder. "What has occurred in the large-cap space is beginning to trickle down to the mid-cap space," says Jain. According to the SPIVA report, the benchmark outperformed 57.14 per cent of mid- and small-cap funds over

a one-year period.

Most retail investors, according to Jain, should try to capture the growth of the Indian economy over the long term by investing in the best companies in each market segment.

"The simplest way to execute this strategy is to invest in the index. It's also a hands-off approach since you can stay with the same fund for 10-20 years," says Jain.

Active fund managers can generate alpha, but there is a caveat. "Investors stand to lose out if the active fund manager underperforms the benchmark," says Chintan Haria, head-product development and strategy, ICICI Prudential Asset Management Company.

Passive funds also offer the low-cost advantage. The



TTK Prestige soars 20% on stock split news

Shares of TTK Prestige, a manufacturer of domestic appliances, climbed as much as 20 per cent to a record after the firm said it will consider splitting equity shares. After soaring to ₹10,586 apiece, the stock gave up some gains to end at ₹9,894, up 12 per cent over the previous day's close. TTK's board will meet on October 27 to decide on the split. **BS REPORTER**

PB Fintech receives Sebi nod for ₹6,000-crore IPO

PB Fintech, which operates online insurance platform Policybazaar and credit comparison portal Paisabazaar, has received Sebi's approval to raise ₹6,077.50 crore through an initial share sale. The IPO comprises a fresh issue of ₹3,750 crore worth of equity shares and an offer for sale of ₹2,267.50 crore by existing shareholders, according to DRHP. **PTI**

ICICI Securities Q2 PAT up 26% to ₹351 crore

ICICI Securities on Tuesday reported a 26 per cent jump in profit after tax to ₹351 crore in the three months ended September 2021 on account of growth in revenue and improvement in margins. In comparison, the firm had posted a profit after tax (PAT) of ₹278 crore in the same quarter preceding fiscal, ICICI Securities, a subsidiary of ICICI Bank said. **PTI**

REQUEST FOR PROPOSAL (RFP)

Bank of Maharashtra invites sealed tender offers (Technical bid and Commercial bid) from eligible and reputed manufacturers/bidders for **RFP ref No. 072021- "SUPPLY, INSTALLATION & MAINTENANCE OF BIOMETRIC FINGERPRINT CAPTURE DEVICES AT VARIOUS LOCATIONS OF BANK OF MAHARASHTRA"**

The details and tender document will be available on Bank's website <https://www.bankofmaharashtra.in> in the 'Tenders' Section' w.e.f 20/10/2021. The RFP document can be obtained by interested bidders by paying the required tender fee.

Bank reserves the right to cancel or reschedule the RFP process without assigning any reason.

Deputy General Manager
Information Technology

IDBI mutual

IDBI Asset Management Limited

CIN: U65100MH2010PLC199319
Registered Office: IDBI Tower, WTC Complex, Cuffe Parade, Colaba, Mumbai - 400005
Corporate Office: 4th Floor, IDBI Tower, WTC Complex, Cuffe Parade, Colaba, Mumbai - 400005
Tel: (022) 66442800 Fax: (022) 66442801 Website: www.idbimutual.co.in E-mail: contactus@idbimutual.co.in

Notice No. 06/2021-22

HOSTING OF UNAUDITED HALF-YEARLY FINANCIAL RESULTS OF THE SCHEMES OF IDBI MUTUAL FUND FOR THE PERIOD ENDED SEPTEMBER 30, 2021

Investors are requested to note that pursuant to Regulation 59 of SEBI (Mutual Funds) Regulations, 1996, a soft copy of the unaudited half-yearly financial results of the schemes of IDBI Mutual Fund for the half-year period ended September 30, 2021 is hosted on IDBI Mutual Fund website (www.idbimutual.co.in) in a user-friendly and downloadable format.

For IDBI Asset Management Limited
(Investment Manager to IDBI Mutual Fund)
Sd/-
Company Secretary and Compliance Officer

Place : Mumbai
Date : October 19, 2021

Statutory Details: IDBI Mutual Fund has been set up as a trust sponsored by IDBI Bank Limited with IDBI MF Trustee Company Limited as the Trustee (Trustee under the Indian Trusts Act, 1882) and with IDBI Asset Management Limited as the Investment Manager.

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

NOTICE CUM ADDENDUM

EXTENSION OF CLOSURE DATE FOR NEW FUND OFFER OF SBI FIXED MATURITY PLAN (FMP) – SERIES 53 (1839 Days)

Notice is hereby given that the closing date for the New Fund Offer period of SBI Fixed Maturity Plan (FMP) – Series 53 (1839 Days) ("the Scheme"), a closed ended debt Scheme, has been extended from October 20, 2021 to October 22, 2021.

All other terms and conditions of the Scheme remain unchanged. This notice cum addendum forms an integral part of the Scheme Information Document and Key Information Memorandum of the Scheme, as amended from time to time.

Investors are requested to take note of the above.

For SBI Funds Management Private Limited
Sd/-
Vinay M. Tonse
Managing Director & CEO

Place: Mumbai
Date: October 19, 2021

Asset Management Company: SBI Funds Management Private Limited (A Joint Venture between SBI & AMUNDI) (CIN: U65900MH1992PTC065288) **Trustee:** SBI Mutual Fund Trustee Company Pvt. Ltd. (CIN: U65991MH2003PTC138496) **Sponsor:** State Bank of India **Regd Office:** 9th Floor, Crescenzo, C - 38 & 39, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400051
Tel: 91-22-61793000 • **Fax:** 91-22-67425687 • **E-mail:** partnerforlife@sbfm.com • www.sbfm.com

Mutual Fund investments are subject to market risks, read all scheme related documents carefully. SBIMF/2021/OCT/10

FORM NO. CAA. 2

NOTICE AND ADVERTISEMENT FOR THE MEETINGS OF UNSECURED LOAN CREDITORS AND UNSECURED TRADE CREDITORS OF DANFOSS INDUSTRIES PRIVATE LIMITED

[Pursuant to Section 230 (3) and rule 6 and 7 of Companies (Compromises, Arrangements and Amalgamations), Rules 2016]

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL CHENNAI BENCH COMPANY APPLICATION NO. CA/865 & 866/CAA/2020

In the matter of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and Rules framed thereunder as in force from time to time

And

In the matter of Scheme of Amalgamation

Of

Sondex Heat Exchangers India Private Limited (Transferor Company)

With

Danfoss Industries Private Limited (Transferee Company)

And

Their respective Shareholders and Creditors

Danfoss Industries Private Limited
(CIN: U29199TN1999PTC041877)
A company incorporated under the Companies Act, 1956, Having its registered office at Unit No.602, 6th Floor, 4B Campus, RMZ Business Park II, 143, Dr. MGR Road, Perungudi, Chennai-600096

Represented by Mr. G Ganapathy Subramanian,
...Applicant/Transferee Company

Notice is hereby given that by an order dated September 29, 2021 the Hon'ble National Company Law Tribunal, Division Bench at Chennai ("the Tribunal") has directed the meetings of the Unsecured Loan Creditors and Unsecured Trade Creditors of Danfoss Industries Private Limited to be held for the purpose of considering, and if thought fit, approving with or without modification, the Scheme of Amalgamation proposed to be made between Sondex Heat Exchangers India Private Limited ("Transferor Company") with Danfoss Industries Private Limited ("Transferee Company") and their respective shareholders and creditors as mentioned above.

In pursuance of the said order and as directed therein further notice is hereby given that a meeting of the Unsecured Loan Creditors and Unsecured Trade Creditors of Danfoss Industries Private Limited shall be held at Unit No.602, 6th Floor, 4B Campus, RMZ Business Park II, 143, Dr. MGR Road, Perungudi, Chennai TN 600096 IN on Saturday, 27th November 2021 at 12.00 PM (IST) and 2.00 PM (IST) respectively.

The Unsecured Loan Creditors and the Unsecured Trade Creditors are requested to attend the respective meetings at the time and place mentioned above. Copies of the said Scheme of Amalgamation, and of the statement under section 230 can be obtained free of charge at the registered office address of Transferee Company situated at Unit No.602, 6th Floor, 4B Campus, RMZ Business Park II, 143, Dr. MGR Road, Perungudi, Chennai-600096.

Persons entitled to attend and vote at the respective meetings, may vote in person or by proxy or through Authorized Representatives, provided that all proxies in the prescribed form and necessary resolutions are deposited at the registered office mentioned above or scanned copies of which are sent via e-mail to (Transferee Company) not later than 48 hours before the respective meetings. Forms of proxy are available at the registered office of the Transferee Company.

The Tribunal has appointed Mr. V S Muralidar as the Chairperson and Mr. G Ganapathy Subramanian as the alternate Chairperson and Ms. Nithya Pasupathy as the Scrutinizer for the said meetings. The above-mentioned Scheme of Amalgamation, if approved in the meetings, will be subject to the subsequent approval of the Hon'ble Tribunal.

Sd/-
V.S. Muralidar
Chairperson of the Meetings

Dated this 20th day of October, 2021

ADITYA BIRLA HINDALCO

HINDALCO INDUSTRIES LIMITED

Regd. Office : Ahura Centre, 1st Floor, B - Wing, Mahakali Caves Road, Andheri (East), Mumbai 400 093.
Tel No. 6691 7000 Fax No. 6691 7001 | Email: hindalco@adityabirla.com | CIN No.: L27020MH1958PLC011238
Please visit www.hindalco.com & www.adityabirla.com

NOTICE IS HEREBY GIVEN FOR TRANSFER OF EQUITY SHARES FOR NON-AVAILABILITY OF PAN OF THE TRANSFEROR FOR TRANSFER DEEDS EXECUTED PRIOR TO DECEMBER 01, 2015.

This Notice is published in terms of Regulation 40 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, transfer of securities held in physical mode for re-logged transfer deeds, which were rejected/returned due to deficiency in the documents.

The Company had received the transfer deed, original share certificate having face value of ₹1/- each and required documents for transfer of shares in physical form, the details are given below: -

Transferor's Folio No.	Transferor's Name and Address	Certificate No.	Distinctive No(s) & No of Equity Shares	Name and Address of the Transferee(s)
HB033975	Suvarna Kumar Srivastava, Ambika Srivastava having address- 5-8-451, Chirag Ali Lane, Hyderabad 500001	HS033112	114806371-114806450 for 80 Equity Shares FV ₹1/- each	Ramswaroop Agarwal having address- #21-3-108, Tagari-Naka, Kassar Hatta, Hyderabad 500002

The Shareholder may note that in the event of non-receipt of objection within 30 days from the date of publish of this 'Notice' at our registered office address ie Ahura Centre, B Wing, 1st Floor, Mahakali Caves Road, Andheri East Mumbai 400093 the above-mentioned shares will be transferred in favour of the Transferee.

For Hindalco Industries Limited
Sd/-
Anil Malik
President and Company Secretary

Place : Mumbai
Date : 19th October, 2021

Rane RANE BRAKE LINING LIMITED

CIN No. L63011TN2004PLC054948
Regd. Office: "MAITHRI", 132, Cathedral Road, Chennai - 600 086 visit us at: www.ranegroup.com

Extract of Unaudited Financial Results for The Quarter & Half Year Ended September 30, 2021

S. No.	Particulars	Quarter Ended		Half Year Ended	
		30.09.2021	30.09.2020	30.09.2021	30.09.2020
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
1.	Total income from operations (net)	126.16	107.68	224.09	148.85
2.	Net Profit / (Loss) for the period (before Tax and Exceptional items)	8.79	16.66	10.74	6.71
3.	Net Profit / (Loss) for the period before tax (after Exceptional items)	8.79	16.66	10.74	6.71
4.	Net Profit / (Loss) for the period after tax (after Exceptional items)	5.41	11.53	7.14	4.64
5.	Total Comprehensive Income for the period (Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)	4.89	11.59	5.99	4.85
6.	Equity Share Capital	7.73	7.91	7.73	7.91
7.	Earnings Per Share (of ₹10/- each)				
	(a) Basic:	7.00	14.57	9.24	5.86
	(b) Diluted:	7.00	14.57	9.24	5.86

Note:

- The above is an extract of the detailed format of Unaudited Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing and Disclosure Requirements) Regulations, 2015. The full format of the Unaudited Financial Results are available on the Stock Exchange websites: www.bseindia.com and www.nseindia.com and on the company's website - www.ranegroup.com
- The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on October 19, 2021.
- The results for the period ended September 30, 2021 are not comparable as such with that of the period ended September 30, 2020 as the Company's operations for the half year ended September 30, 2020 were partially suspended on account of the lockdown announced by the Government of India consequent to the outbreak of COVID-19 pandemic. The company, based on the internal and external information available up to the date of approval of these financial results, has concluded that no adjustments are required in the carrying amounts of property, plant and equipment, inventories, trade receivables and other financial assets. However, given the uncertainties associated with the nature and duration of the pandemic, actual results may differ from those estimated as at the date of approval of the financial statements. The company will continue to monitor future economic conditions and update its assessment.
- The company had approved the Buy back of the Company's fully paid up equity share as on October 15, 2020. During the year ended March 31, 2021, the Company bought back 1,62,621 Equity shares of ₹10/- each for an aggregate amount of ₹11.88 crores. The Company has transferred ₹0.16 crores to the Capital redemption reserve representing the face value of equity shares bought back.
- During the half year ended September 30, 2021, the Company further bought back 22,488 Equity shares of ₹10/- each for an aggregate amount of ₹1.83 crores. The Company has transferred ₹0.02 crores to the Capital redemption reserve during the half year ended September 30, 2021 representing the face value of equity shares bought back.
- Buy back activities completed and closed as on April 26, 2021.

Place : Chennai
Date : October 19, 2021

For Rane Brake Lining Limited
L. Ganesh, Chairman