

# Buses hit the decelerator

With shuttered schools and restricted use of public transport, recovery eludes this segment of the automobile market

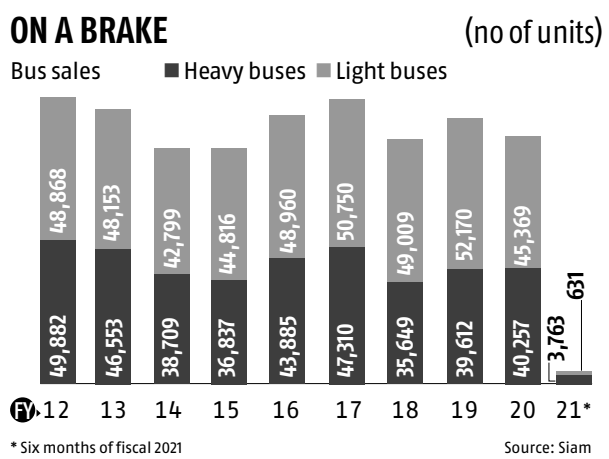


SHALLY SETH MOHILE  
Mumbai, 19 October

For a country that has a relatively low car and two-wheeler penetration and a low per capita income compared to several countries of the world, public transport has been nothing short of a lifeline. The Covid-19 outbreak has, however, suddenly shifted priorities. The fear of infection spreading in public transport has seen more people shunning it in favour of personal transportation.

A good indicator of the changing commuter behaviour is the sales number of auto companies. Though to some extent it is attributable to the inventory re-stocking at the dealerships ahead of the festive season and last year's low base, personal segments including two-wheelers and cars have shown a smart recovery since May. The same cannot be said about vehicles deployed in public transportation including buses and three-wheelers.

Sales data released by auto industry body Society of Indian Automobile Manufacturers (SIAM) on Friday show passenger vehicles (PVs) sales have narrowed the year-on-year decline to 34 per cent in the first six months of the current fiscal. It has been led by a high double-digit growth in the last couple of months. Similarly, two-wheelers reported a decline of 38.28 per cent in the first six months.



But in September, PVs and two-wheelers saw a year-on-year growth of 26.45 per cent and 11.64 per cent respectively.

The same recovery remains elusive for buses. Sales of heavy duty and light buses reported a steep decline of 95.31 per cent and 82.48 per cent respectively in the first half of the current year over the corresponding period (see chart).

Shuttered schools and institutions, and restricted movement within the city and from one city to another have been dragging down bus sales and they are expected to touch a decadal low by end of the current fiscal. Rating agency ICRA expects bus sales

to continue hurtling down and end FY21 with a 40-50 per cent year-on-year decline.

V G Ramakrishnan, founding partner and managing director at consulting, Avanteum Advisors, said the bus market has been going through structural changes and is likely to remain depressed in the foreseeable future as states that accounted for close to 80 per cent of the total sales have gone slow on buying.

"The metro rail in cities like Delhi has emerged as a big threat to buses. Expect a similar trend in other cities once metros become more affordable," said Ramakrishnan. Gone are the

days when states will place large orders. Some segments such as long-distance intra-city travel are unlikely to revive and see demand for another three to four years, he said.

In FY20, the share of buses in the overall automobile sales was 0.72 per cent. Over the past decade, the segment has seen a negative compounded annual growth rate of 1.77 per cent.

Vinod Aggarwal, Managing Director and CEO at Volvo Eicher Commercial Vehicles, which sells buses under the Eicher brand for schools and under the Volvo brand for inter and intra-city transport, is not giving up. "It's not that sales will continue to decline for ever. Once schools reopen, sales will start picking up," he said.

For Eicher, schools account for almost a third of total sales. April to July is the period when schools buy buses but this year has been a total washout on account of the pandemic, said Aggarwal. Also, with most companies continuing the practice of work from home, buses deployed for staff transportation have been rendered useless. Demand from state transport undertakings and state transport corporations that run long-distance buses, too, have taken a big hit as people are preferring to drive down in their personal vehicles, said Aggarwal.

Satyakam Arya, chief executive and MD at Daimler India Commercial Vehicles, expects demand from corporations for buses to increase once offices resume normal operations. "Offices will continue to adhere to social distancing norms and will therefore need more buses to staff commute," said Arya.

Both Arya and Aggarwal, however, conceded that bus makers will have to endure the slowdown pain for a longer period compared to the rest of the segments in commercial vehicles. Thanks to the demand from e-commerce firms and buoyancy in rural India, light and small truck sales are seeing an uptick in demand. However, the heavy-duty trucks (those in the range of 16 to 49 tonne) are still facing headwinds as demand for haulage and tractor trailers — the trucks deployed by capital goods and construction sectors — remain highly subdued.

According to ICRA analysis, although CV retail sales are recovering, it remains a far cry from pre-pandemic levels. Against a monthly sale of 80,000+ units reported prior to the pandemic, CV retail sales trended at less than 40,000 units in September 2020, even after four months of sequential improvement. Commercial vehicles sales have their fortunes closely tied to economic growth. Buses represent the next-level indicator and the outlook for them is a pointer to a longer economic slowdown.

# Digital health mission faces privacy and infra concerns

MEGHNA CHADHA  
New Delhi, 19 October

Every Indian will get an Aadhaar-like health ID card that will record details of every visit to a doctor or a pharmacy, Prime Minister Narendra Modi has announced this Independence Day. This process of digitising the patient landscape has been in the works since 2018.

Led by the National Health Authority (NHA), the central agency implementing the health coverage scheme, Ayushman Bharat, the National Digital Health Mission (NDHM), as it is called, aims to provide people with a unique, digital health identifier, gathering all records in a unified system. So far, over 100,000 people have got these IDs. "The pandemic has revealed the need for a strong three-tier integrated, accessible and affordable health care system. NDHM aims to be a one-stop care solution and the new health ID is said to be voluntary with an opt-out option," said Anand K, CEO, SRL Diagnostics.

According to him, NDHM will also offer telemedicine as part of its digital suite. By being able to access quality health care advice remotely, travel costs of patients will be reduced. Nearly two-thirds of health expenses in India is paid out of pocket, he added.

Private stakeholders will have an equal opportunity to integrate with the NDHM and create their own products, said Indu Bhushan, CEO of NHA. "However, core activities and verification, generation of health ID or approval of a doctor/facility shall remain with the government."

The \$23-million programme will help with analysis of big data on health, and lead to better planning, budgeting and implementation for states and health programmes, Bhushan said in an interview to *Bloomberg*.

Currently, India spends only about 3.5 per cent of its gross domestic product on health care — among the lowest, according to World Bank. A 2018 NITI Aayog report highlights that about 60 million Indians are pushed into poverty every year because of health expenses, 60 per cent of which are



## Virtual push

Health ID under NDHM is free of cost, voluntary and linked to Aadhaar or mobile number; over 100,000 people have got IDs

NDHM's building blocks: Health ID, personal health records, digit doctor, health facility registry, e-pharmacy and telemedicine

The pilots have been rolled out in Andaman & Nicobar Islands, Chandigarh, Dadra & Nagar Haveli and Daman & Diu, Lakshadweep, Ladakh and Puducherry

Classified as sensitive data, the policy covers collection and storage of financial details, physical and mental health, sex life, medical records, gender and sexuality, caste, religious and political beliefs, genetic and biometric records

India has partnered with the Netherlands to implement NDHM

borne out of pocket.

But, a recent BCG-Ficci report estimates that over the next decade, NDHM can potentially unlock an incremental value of ₹1.5 trillion for the health care industry.

"It's a step-by-step process. The more data you collect, the better services you'll provide," said Suresh Munuswamy, head, health informatics and technology innovations, Public Health Foundation of India.

A crucial aspect that is, however, yet to get due attention is diagnostics, said Anand. "Around 70 per cent of health care deci-

sions are based on diagnostic results. A nationwide testing ecosystem becomes a prerequisite for the correct medical diagnosis and treatment."

The programme, once rolled out nationwide, could be a game changer. "Data is the new wealth and data science provides insights for informed decision-making. Traditionally, the importance given to data management in health care has been marginal and obscure. NDHM has the power to change this," said Karthik Anantharaman, a health care professional with a background in medtech, pharma and biotechnology. This could have huge implications in handling medical emergencies, monitoring drug response and prognosis of each patient, he added.

However, digital illiteracy, connectivity challenges, health care resource crunch and data privacy are question marks.

"The NHA was set up under an executive notification, not a law of Parliament. After a rushed consultation and without trial, it is now already collecting health data and generating IDs, even though the policy document has not been finalised," said Raman Jit Singh Chima, Asia policy director at Access Now, a non-profit focused on internet rights.

The NDHM health data policy document allows a variety of government and private parties access to data. In case of a breach of trust, there is no recourse because India doesn't have a data protection law or an independent data protection authority, explained Chima, accusing the government of rushing to deploy the programme preempting legal or regulatory challenges.

The NHA has, however, maintained that the adoption of NDHM will ensure security and privacy by design.

Some steps to ensure data security could be to not store all information at one place and advertise it, Munuswamy said. "Data must be stored in a distributed way, and in a de-identified way. That is, if someone hacks into one data centre, it should not have the personal identifier and service provision together."

# ON THE JOB Labour markets weak in October



MAHESH WAS

Labour market statistics derived from CMIE's Consumer Pyramids Household Survey have been indicating a stagnation of India's economic recovery process from its April 2020 shock. The recovery was smart in May and spectacular in June. It continued well into July. Then, it stalled in August and September. Now, it appears that the stagnation could extend or worsen in October. We measure labour market conditions by the most apt summary measure for a developing country like India — the employment rate. This is the proportion of working-age population that is employed.

Fiscal 2019-20 ended with an employment rate of 39.4 per cent. It fell to 27.2 per cent in April 2020 but recovered 300 basis points to reach 30.2 per cent in May. In June, the recovery was of a very impressive 600 basis points to 36.2 per cent. In July, the employment rate climbed another 140 basis points to 37.6 per cent. The fatigue set in in August when the rate fell to 37.5 per cent. Then, there was a small recovery to 38 per cent in September. Note that the fatigue set in well before recovering to the 2019-20 average employment rate.

October shows signs of continued stress. All the first three weeks ending in the month pencilled employment rates lower than the 38 per cent recorded in September. The rates, in sequence, were 37.6 per cent, 37.5 per

cent and 37.9 per cent.

Keeping the employment rate from slipping is challenging. To merely keep the employment rate unchanged, the economy has to generate additional jobs. It needs to run to stay where it is. This is because the denominator — the working-age population — keeps rising naturally. Employment has to rise in tandem to ensure that the ratio, the employment rate, remains constant. In the past four years, the employment rate has fallen steadily in each year. This is because employment has been stagnant.

Fall of the employment rate revealed in the first three weeks of October 2020 is entirely because of a fall in the employment rate in rural India. The employment rate in rural India was 39.8 per cent in September. This was its highest level since the lockdown and was not too far from the 40.7 per cent clocked in 2019-20. However, it appears that rural India is not able to sustain an employment rate of 40 per cent or more. The weekly employment rate had touched 39.9 per cent in the week ended September 6. But, it has slid since then. In the week ended October 4, the rate was down to 39 per cent and then it slipped further to 38.8 per cent in the week ended October 11. It recovered to 39.5 per cent in the week ended October 18. But, it was still lower than the September average. The average of the first three weeks of October was 39.1 per cent.

The fall in the rural employment rate in October is somewhat surprising because this is the peak season for harvesting the kharif crop. While sowing is spread over four months, most of the crop is harvested in October. Different crops have different gestation periods but save for cotton and sugarcane, most of the kharif crop is harvested in October. It is possible that employment under the MGNREGS has declined significantly in

October. Till October 19 2020, the scheme had provided 58.5 million person-days of employment compared to 138 million person-days of employment provided during the entire month of October 2019. These numbers do get revised very substantially and, therefore, it may be hazardous to draw inferences at this stage. Yet, the fall evident so far is quite large. The average person-days of employment per day in October 2019 was 4.47 million. In the first 19 days of October 2020 it was 3.08 million, a fall of 31 per cent.

Given that rural India has a much larger weight in all-India estimates, it is imperative that its employment rate stops falling any further.

In contrast to the falling trend seen in rural India, urban India has shown an improvement in the employment rate in October 2020. The employment rate in urban India in September was 34.4 per cent. The recovering trend in urban India in October is in contrast to the sharp fall in employment rate seen in September. The urban employment rate at 34.4 per cent was a substantial 254 basis points lower than the average 36.9 per cent rate in 2019-20. The average employment rate in urban India in the first three weeks of October was 34.8 per cent. Even this was over 200 basis points lower than the 2019-20 level.

The falling employment rate in rural India and the continued low employment rate in urban India are the weaknesses in India's labour market recovery process. The gap between the monthly employment rate in 2020-21 and the corresponding month of 2019-20 narrowed consistently till August 2020 when it was just 182 basis points. It then rose to 254 basis points in September. The gap could widen further in October.

The writer is MD and CEO, CMIE Pvt Ltd

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**NOTICE**  
Notice is hereby given pursuant to Regulation 29 read with Regulation 47 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, that a Meeting of the Board of Directors of the Company will be held on Wednesday the 28<sup>th</sup> October, 2020 to consider and approve the Unaudited Financial Results for quarter and half year ended 30<sup>th</sup> September, 2020.

This intimation would also available on the website of BSE Limited (www.bseindia.com), The National Stock Exchange of India Limited (www.nseindia.com) and the Company (www.centuryenka.com).

For CENTURY ENKA LIMITED  
Place: Mumbai Rahul Dubey  
Date: 19.10.2020 Company Secretary

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**TATA CONSULTANCY SERVICES LIMITED**

**POSTAL BALLOT NOTICE AND E-VOTING INFORMATION**

NOTICE is hereby given that the Company is seeking approval of its Members by way of a Special Resolution for Buyback of up to 5,33,33,333 fully paid-up Equity Shares of face value of ₹1 each, representing 1.42% of the total issued and paid-up equity share capital, at a price of ₹3,000 per Equity Share payable in cash for an aggregate consideration not exceeding ₹16,000 crore (excluding transaction costs, applicable taxes and other incidental and related expenses), on proportionate basis, through Tender Offer route through Stock Exchange mechanism, approved by the Board of Directors of the Company at its meeting held on Wednesday, October 7, 2020.

This buy-back is in accordance with the provisions of the Companies Act, 2013 and rules framed thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018, as amended from time to time, read with SEBI Circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and Circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, as set out in the Postal Ballot Notice dated October 7, 2020.

The Postal Ballot Notice is available on the Company's website <https://www.tcs.com/events/tcs-buyback-2020>, website of National Securities Depository Limited ("NSDL") <https://www.evoting.nsdl.com> and the website of the stock exchanges where the equity shares of the Company are listed i.e. BSE Limited ("BSE") ([www.bseindia.com](http://www.bseindia.com)) and National Stock Exchange of India Limited ("NSE") ([www.nseindia.com](http://www.nseindia.com)).

In compliance with the Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 33/2020 dated September 28, 2020 issued by the Ministry of Corporate Affairs, the Company has sent the Postal Ballot Notice on October 19, 2020 only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories and whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on Friday, October 9, 2020 ("Cut-off date"). The communication of the assent or dissent of the Members would only take place through the remote e-voting system.

The Company has engaged the services of NSDL to provide remote e-voting facility to its Members. The remote e-voting period commences from 9.00 a.m. (IST) on Tuesday, October 20, 2020 and ends at 5.00 p.m. (IST) on Wednesday, November 18, 2020. The e-voting module shall be disabled by NSDL thereafter. Voting rights of the Members shall be in proportion to the shares held by them in the paid-up equity share capital of the Company as on Cut-off date. Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date will be entitled to cast their votes by remote e-voting. Once the vote on the resolution is cast by the Member, he/she shall not be allowed to change it subsequently.

The Members whose e-mail address is not registered with the Company/Depositories, may register on or before 5:00 p.m. (IST) on Wednesday, November 11, 2020 to receive the Postal Ballot Notice and the procedure for remote e-voting along with the login ID and password for remote e-voting by clicking the link: <https://green.tsrdarashaw.com/green/events/login/c2> and completing the registration process as guided therein. In case of any queries, members may write to [tcspostalballot20@tsrdarashaw.com](mailto:tcspostalballot20@tsrdarashaw.com).

For details relating to e-voting, please refer to the Postal Ballot Notice. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of <https://www.evoting.nsdl.com> or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). In case of any grievances connected with facility for voting by electronic means, please contact Ms. Pallavi Mhatre, Assistant Manager, NSDL, Email: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)/[pallavid@nsdl.co.in](mailto:pallavid@nsdl.co.in), Tel: 91 22 2499 4545/1800-222-990.

The Board of Directors of the Company has appointed Mr. P.N. Parikh (Membership No. FCS 327) and failing him Ms. Jigyasa Ved (Membership No. FCS 6488) of Parikh & Associates, Practising Company Secretaries, as the Scrutinizer to conduct the Postal Ballot through remote e-voting process in a fair and transparent manner.

The result of the Postal Ballot will be announced at or before 5:00 p.m. (IST), Friday, November 20, 2020. The said results along with the Scrutinizer's Report would be intimated to BSE and NSE and will also be uploaded on the Company's website <https://www.tcs.com/events/tcs-buyback-2020> and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

For TATA CONSULTANCY SERVICES LIMITED  
Rajendra Moholkar  
Company Secretary

Place : Mumbai  
Date : October 19, 2020  
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