

India's scrutiny of Chinese firms hits suppliers: Xiaomi

ADITYA KALRA
& MUNSIF VENGATTIL
New Delhi, February 11

CHINA'S XIAOMI HAS told New Delhi that smartphone component suppliers are wary about setting up operations in India amid heavy scrutiny of Chinese companies by the government, according to a direct and a source with direct knowledge of the matter.

Xiaomi, which has the

biggest share in India's smartphone market at 18%, also asks in the letter dated February 6 that India consider offering manufacturing incentives and lowering import tariffs for certain smartphone components.

The Chinese company assembles smartphones in India with mostly local components and the rest is imported from China and elsewhere. The letter is Xiaomi's response to a query from India's informa-

tion technology ministry, asking how New Delhi can further develop the country's component manufacturing sector.

India ramped up scrutiny of Chinese businesses after a 2020 border clash between the two countries killed at least 20 Indian soldiers and four from China, disrupting investment plans of big Chinese companies and drawing repeated protests from Beijing.

While Chinese companies



operating in India are reticent to speak publicly about the scrutiny, Xiaomi's letter shows that they continue to struggle in India, especially in the

Xiaomi has asked that India consider offering manufacturing incentives and lowering import tariffs for certain smartphone components

smartphone space, where many critical components come from Chinese suppliers.

In the letter, Xiaomi India president Muralikrishnan B

said India needed to work on "confidence building" measures to encourage component suppliers to setup operations locally. "There are apprehensions among component suppliers regarding establishing operations in India, stemming from the challenges faced by companies in India, particularly from Chinese origin," Muralikrishnan said, without naming any companies.

The letter said the concerns

were related to compliance and visa issues that it didn't elaborate on, and other factors. It said "the government should address these concerns and work to instill confidence among foreign component suppliers, encouraging them to set up manufacturing facilities in India." Xiaomi and the IT ministry did not respond to queries for further information and comment.

Indian authorities last year

accused Chinese smartphone company Vivo Communication Technology of breaching some visa rules and alleged it siphoned \$1.3 billion in funds from India.

India has also frozen more than \$600 million in Xiaomi assets for alleged illegal remittances to foreign entities by passing them off as royalty payments. Both Chinese companies deny any wrongdoing. — REUTERS

FROM THE FRONT PAGE

Non-audit work on NFRA radar

HOWEVER, THERE ARE plenty of other services that they can offer to the clients and their subsidiaries, including administrative, consultancy, forensics, fact-finding, diligence services etc.

However, the NFRA could draw power to regulate rendering services other than listed under Section 144, by invoking an entry that suggests prohibition could be extended to "any other kind of services as may be prescribed".

"A client can come up with hundreds of demands. The accountants have to do the assessment and evaluate the work offered to them so that it doesn't threaten their independence. This is where it gets tricky because the regulator can arbitrarily find some or all of those non-audit services problematic due to the conflict of interest with the statutory audit job or for some other reasons," said a partner with a leading audit firm who didn't wish not to be identified.

Nearly all large audit firms – Deloitte India, PwC, EY India, Grant Thornton, KPMG India etc. – refrain from providing non-audit services to the listed entities for which they are statutory auditors as an act of extra vigilance and in order to safeguard their reputation. But they are not as circumspect when it comes to rendering such services to unlisted firms. "The NFRA's move, if correct, would make the work of auditors difficult. It might be tantamount to over-regulation, as it goes beyond internationally accepted practice," said Ved Jain, noted chartered accountant and former president of ICAI.

Typically, many of the non-audit services are lucrative for the audit firms,



while auditing perse may not invariably be very profitable, given the high costs involved. "The idea is to desist from performing only those management services for the firms, which they are supposed to undertake themselves. For instance, GST paperwork," said Jain.

The ICAI's 20-page guidance note on "Independence of auditors" states that independence is "a very subjective matter."

"One person might be independent in a particular set of circumstances, while another person might feel he is not independent in similar circumstances," says the note.

"Inspecting the non-audit work is a favourite area for NFRA. All the five inspection reports issued by NFRA last year have cited issues with non-audit work offered by the audit firms or related entities," said founder of an accounting firm, on condition of anonymity.

NFRA, which was formed in 2018, has been busy issuing orders against auditors involved in professional misconduct. It's also conducting inspections on large firms to find lapses in their existing practices and making them take corrective measures.

Central govt to regulate e-gaming industry

IT WAS EXPECTED THAT apart from people with experience in online gaming, SROs will also include educationists, psychologists, individuals dealing with protection of child rights and information & communication technology experts.

Officials said that government analysed four proposals submitted by All India Gaming Federation (AIGF), Esports Players Welfare Association (EPWA), All India Gaming Regulator (AIGR) Foundation & from a consortium of the E-Gaming Federation (EGF) and the Federation of Indian Fantasy Sports (FIFS). But, none of them met the stated requirements.

The government has recently set up a group of ministers to discuss the regulatory framework for the industry but it's likely that a clear regulatory structure will emerge only after the general elections. In December, companies such as Dream Sports, Games 24x7, as well as industry associations had sought clarity from the government on a code of conduct for the sector. This was related to actual implementation of notified rules, framework on responsible gaming and player protection, financial frauds, gaming certification, among other aspects. These aspects need to be defined by the regulator. Among other things, the industry has also sought a Sebi-like regulator for the sector.

According to an EY report titled 'New Frontiers: Navigating the Evolving Landscape for Online Gaming in India', the online gaming market grew at a 28% CAGR (compound annual growth rate) during FY 2020-2023 to ₹16,428 crore. The industry is projected to maintain a 15% CAGR till FY28. However, the real money gaming segment, which accounted for 84% of the online gaming market share in FY23, might see its share decreasing to 75.4% by FY28, due to the recent GST changes.

AMIN TANNERY LIMITED

CIN No. U19115UP2013PLC055834
Regd. Office: 15/288 C, Civil Lines, Kanpur - 208 001 (U.P.)
Ph. No.: +91 512 2304077, Email: share@amintannery.in, Web: www.amintannery.in

EXTRACT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2023

(₹ in lakhs except earning per share data)

Sl. No.	Particulars	Three Months ended 31.12.2023 (Unaudited)	Three Months ended 30.09.2023 (Unaudited)	Three Months ended 31.12.2022 (Unaudited)	Nine Months ended 31.12.2023 (Unaudited)	Nine Months ended 31.12.2022 (Unaudited)	Year ended 31.03.2023 (Audited)
1.	Total Income	1,118.97	1,011.56	1,378.57	3,537.09	3,788.23	5,264.34
2.	Net Profit before Interest, depreciation, exceptional items and tax	74.58	73.12	89.81	233.17	244.23	335.16
3.	Net Profit for the period before tax (before Exceptional and Extraordinary items)	7.06	9.96	12.13	31.50	30.71	51.01
4.	Net Profit for the period before tax (after Exceptional and Extraordinary items)	7.06	9.96	12.13	31.50	30.71	51.01
5.	Net Profit for the period after tax (after Exceptional and Extraordinary items)	5.19	7.55	9.44	23.50	22.71	36.34
6.	Total Comprehensive Income for the period	4.78	10.52	10.80	24.53	27.49	40.16
7.	Equity Share Capital (Face value of ₹1/- per share)	1,079.73	1,079.73	1,079.73	1,079.73	1,079.73	1,079.73
8.	Basic and Diluted Earnings Per Share (of ₹ 1/- each) (Not Annualized *)						
I.	Before Extraordinary Items (in ₹)	0.01	0.01	0.01	0.02	0.02	0.03
II.	After Extraordinary Items (in ₹)	0.01	0.01	0.01	0.02	0.02	0.03

Note:

1. 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 Other Disclosure Requirements) Regulations, 2015. The full format of the quarter and nine months ended Unaudited financial results are available on the Stock Exchange websites - www.bseindia.com and on the Company's website www.amintannery.in.

For and on behalf of the Board of Directors

Place : Kanpur
Dated : February 10, 2024

Vevarul Amin
Managing Director
DIN 00037469

NAGPUR - SEONI EXPRESS WAY PRIVATE LIMITED

CIN : U45203TN2007PTC164454

Registered Office Address : 5th Floor, SKCL Tech Square, Lazer St, South Phase, SIDCO Industrial Estate, Guindy, Chennai, Tamil Nadu, India, 600032.

Extract of Unaudited Financial Results for the quarter ended December 31, 2023

(₹s. in Lakhs)

S. No.	Particulars	For quarter ended December 31, 2023	For quarter ended December 31, 2022	Previous Year ended March 31, 2023
1	Total Income from operations (net)	221.66	164.71	749.11
2	Net Profit / (Loss) for the period (before Tax, Exceptional and / or Extraordinary items)	(322.49)	(263.03)	(2,561.03)
3	Net Profit / (Loss) for the period before Tax (after Exceptional and / or Extraordinary items)	(322.49)	(263.03)	(2,561.03)
4	Net Profit for the period after tax (after Exceptional and / or Extraordinary items)	(322.49)	(263.03)	(2,561.03)
5	Total Comprehensive Income for the period [Comprising Profit / (Loss) for the period (after tax) and other Comprehensive Income (after tax)]	(322.49)	(263.03)	(2,561.52)
6	Paid up Equity Share Capital (Face value of Rs. 10/- each)	4,800.00	4,800.00	4,800.00
7	Reserves (Excluding Revaluation Reserve) as shown in the Audited Balance Sheet of the previous year	(12,010.69)	(9,616.79)	(11,331.95)
8	Securities Premium Account	-	-	-
9	Net Worth	(7,210.69)	(4,816.79)	(6,531.95)
10	Paid up Debt Capital / Outstanding Debt	10,794.35	12,634.07	11,758.02
11	Outstanding Redeemable Preference Shares	-	-	-
12	Debt Equity Ratio	2.25	2.63	2.45
13	Earnings Per Share (of Rs. 10/- each) (for continuing and discontinued operations)			
1. Basic		(0.67)	(0.55)	(5.34)
2. Diluted		(0.67)	(0.55)	(5.34)
14	Capital Redemption Reserve	-	-	-
15	Debt Redemption Reserve	1,327.90	1,327.90	1,327.90
16	Debt Service Coverage Ratio	1.88	1.69	0.55
17	Interest Service Coverage Ratio	1.82	1.71	1.07

Notes:

1. The above is an extract of the detailed format of Quarterly Financial Results filed under Regulation 52 of the SEBI (Listing Obligations and other Disclosure Requirements) Regulations, 2015. The full format of the quarterly financial results is available on the website of the Stock Exchange at www.bseindia.com at: https://www.bseindia.com/xml-data/corplisting/AttachLive/c525cb4a-9f85-4e00-a696-31d353d7834d.pdf

2. For the other line items referred in Regulation 52(4) of SEBI (Listing and other Disclosure Requirements) Regulations, 2015, pertinent disclosures have been made available on the website of the Stock Exchange at www.bseindia.com at: https://www.bseindia.com/xml-data/corplisting/AttachLive/c525cb4a-9f85-4e00-a696-31d353d7834d.pdf

For Nagpur - Seoni Express Way Private Limited

SD/-
Paruchuri Sri Hari
Director (DIN: 09336243)

Place : Mumbai
Date : February 8, 2024

To the best of our knowledge and belief, after making proper enquiry, the information contained in or accompanying this statement is, in all material respect, true and correct and not misleading, whether by omission of any information or otherwise, and includes all the information required to be disclosed by the Target Company under the SEBI (SAST) Regulations, 2011.

For and on behalf of the committee of Independent Directors of
Glenmark Life Sciences Limited

SD/-

Sridhar Gorthi

DIN: 00035824

Place: Mumbai
Date : 10 February, 2024

Chairperson - Committee of Independent Directors