

### Friendly gains: Airspace coordination in India helps airlines save big

Coordination between defence and civilian authorities has freed up airspace for commercial airlines in India, resulting in routes becoming shorter and costs coming down, apart from mitigating pollution.

"Due to various restrictions of the military, only about 58 per cent of the Indian airspace was being utilised. It is close to 70 per cent now," said an official of the Airports Authority of India (AAI).

Officials of the AAI said to date 119 routes had been shortened. Sources said since December 2020 the cumulative savings of airlines had been close to Rs 200 crore while there was a reduction in emission of around 45,000 tonnes of carbon.

While the target has been short of the government's expectations of savings of Rs 1,000 crore per year, this has been primarily because of reduction in the number of flights due to the pandemic.

Aviation turbine fuel accounts for 35-40 per cent of the operating costs of an airline. Due to high taxes, it's around 40 per cent more expensive than in other countries. With global crude oil prices at over \$100 per barrel,

shorter routes pinch airlines' pockets much less.

While the idea of a rational usage of airspace was proposed in 2014, airline executives said the military was apprehensive about the idea and much development didn't take place until 2020.

That was when the opening up of the airspace available with the armed forces was among the Covid relief measures announced by Union Finance Minister Nirmala Sitharaman for the stressed aviation sector, which was awaiting a stimulus package.

India has set up a central air traffic flow management facility, where officials from Air Navigation Services, Indian Air Force, and Indian Army work together to allow direct routing whenever restricted air space is not in use.

"The Indian Air Force (IAF) has been reluctant to share civil and military space primarily because the IAF's flying is very dynamic in nature. It is intensive and requires a huge volume of airspace. So, while the military used to allow short direct routing through restricted airspace on and off, it was not mainstreamed. Now, unless that area is being used by the

military it is always available and a permanent part of navigation charts for airlines," said a flight dispatcher.

Flight dispatch is involved in planning flight paths, taking into account aircraft performance and loading and weather conditions.

For instance, in the Delhi-Srinagar sector, flight time has reduced by around 10 minutes after the IAF opened up much airspace in Punjab. This, for an Airbus A320neo, which is the most commonly used aircraft in India, implies a saving of almost 400 kg of fuel. Or on routes to Chennai from east Indian airports like Kolkata, Durgapur, and Agartala, the route has been cut by almost 15 minutes because the IAF has allowed it to use the airspace near Sulur Air Force Station near Coimbatore, which was previously unavailable.

Sources said IndiGo, India's largest airline, has saved around Rs 100 crore since December 2020 and has reduced carbon emissions of around 32,000 tonnes. Foreign airlines like Saudia, Etihad, and Qatar Airlines also have benefited from the direct routing. Reduction in carbon emission is crucial for India because carbon offsetting norms for Indian airlines will kick in from 2027.

### Streaming wars: Netflix tries to beat the India blues as rivals race ahead

Sanjay Leela Bhansali's Gangu-bai Kathiawadi is as mainstream as Hindi films go. The Alia Bhatt-starrer, inspired by a true story, grossed over Rs 200 crore at the box-office earlier this year. This week, Netflix released it with a high-decibel campaign with ads across the front pages of major newspapers. It is the sort of thing Amazon Prime Video, which acquires most of the big blockbusters, or SonyLiv, which is trying to establish itself, do. It is also a sign that the \$30 billion Netflix is now doing everything possible to crack the India market.

In December 2021, over five years after it entered the country, only 5.5 million of Netflix's total subscriber base of 222 million came from the fastest growing streaming video markets in the world. Compare that with Amazon Prime Video, which got 19 million of its 200 million subscribers, or Disney+, which has a whopping 46 million or over a third of its global 130 million, from India. When Netflix dropped prices by 60 per cent in December 2021, the hope was that it would see a surge in subscribers. A ripple is what it seems to have got.

"We have seen a nice uptick in engagement in India. So, we're definitely taking it in the right direction," said co-CEO Ted Sarandos in earnings call last week. Though the India numbers are not available, globally Netflix lost 200,000 subscribers. Password sharing, more competition and the shutdown of its Russia service in the aftermath of the attack on Ukraine are among the reasons. At an estimated Rs 1,700 crore in revenues, Netflix remains a largish player in the Rs 14,000-crore streaming video market by value. But when it comes to getting more users, the world's largest subscription video-on-demand (SVoD) player and the one that birthed this business seems lost.

"We've seen an exciting response to the price change in India. We are focused on ease of access through partnerships with Tata Play, Airtel, Jio and payment methods like UPI Autopay. We have an exciting slate ahead and will continue to improve every aspect of our service, like we do everywhere else," said a Netflix India spokesperson. Mihir Shah, vice-president, Media Partners Asia, reckons that Netflix "should hit 7.5 (million subscribers) by the end of the year, if it wants to deliver some level of revenue growth. From here on it needs a steady delivery of content".

That is where Gangubai Kathiawadi or SS Rajamouli's RRR, for which Netflix just picked up the Hindi streaming rights, come in. The Telugu superhit has crossed Rs 1,100 crore in ticket sales globally. Netflix now commissions productions in seven Indian languages and is also dubbing some of its popular shows like Money Heist in Hindi, Tamil and Telugu. "Last year, our 28 Indian original series and films were across 11 genres, eight formats and seven languages," said the spokesperson. That is

the second sign of its attempts to grow in India. Unlike Netflix, Prime Video has been aggressive about licensing and commissioning from all across India. With hits like Pushpa (Telugu) and Soorai Potru (Tamil) under its belt, it now has a firm foot in the South, which brought in 60 per cent of India's 102 million-odd OTT subscribers (2021).

The Netflix conundrum: "Globally, Netflix is known for creating trends; in India it is simply following trends," said Constantinos Papava-s-silopoulos, associate director, consumer research (and India expert) at UK-based Omdia. That is strange considering the advantages it started with.

Netflix has the best product on offer, especially if you go by user interface. On programming, it began well with the critically acclaimed Sacred Games. Ever since it entered India in 2016, it has been committed to this market investing more than \$400 million on shows and films such as Delhi Crime, Mai and Little Things.

There are many theories on why Netflix continues to struggle with India even as rivals race ahead. "The Indian content is simply not good enough. The perception in India is that Netflix offers great international content. People take it for one month when 3-4 big shows are coming in and then unsubscribe. And Netflix does not offer an annual deal (unlike its key rivals)," Shailesh Kapoor, CEO, Ormax Media, pointed out. He reckons that the whole "pricing and content perception (for Netflix) is niche and international". Not surprising since international shows have done better on Netflix than Indian ones. According to Ormax viewership estimates, The Fame Game had an audience of 8.8 million Indian viewers against 15.5 million for Money Heist.

The Viral Fever (TVF) has been creating content for over 10 years now. It has worked with Amazon Prime Video, Zee 5, YouTube and SonyLiv. In 2019, its show Kota Factory, which delves into the lives of hundreds of thousands of students coming into the eponymous small town in Rajasthan to prepare for competitive exams, released on YouTube. Netflix picked up season 2 for release in September 2021. It was the only Netflix India show that made it to the Ormax list of the top 10 Hindi shows on SVoD in 2021. Vijay Koshy, president, TVF, said a third season is currently in discussion.

A second and third season "is a huge measure of success. You already have an audience. Multiple seasons tap into it. It makes things easier to plan and execute and also brings economies of scale. Netflix has used them very well internationally with Stranger Things (in its fifth season now) and Ozark (four so far)," said Koshy. That, however, did not happen with many of Netflix India's successful shows. Now the second season of its big hits — Delhi Crime, Yeh Kaali Kaali Ankhein, and The Fame Game, among others — are on the cards. That is the third sign of the change at Netflix.

### Motilal Oswal net profit falls 35% to Rs 300 crore in March quarter

Brokerage house Motilal Oswal Financial Services on Thursday reported a 35 per cent fall in net income at Rs 300 crore in the three months to March, even though its revenue grew by 21 per cent to Rs 1,100 crore.

The company had posted a net income of Rs 461 crore in the year-ago period.

For the full year, the company, which also has a home loan arm, reported a 33 per cent uptick in revenue at Rs 4,051 crore and earned a net income of Rs 1,310 crore, which is a growth of 4 per cent.

All business continues to demonstrate stellar performance during the quarter and the full year, said managing director & chief executive Motilal Oswal.

While capital market business profit grew 68 per cent year-on-year, assets and wealth

management profit rose 31 per cent, led by 14 per cent growth in AMC, 116 per cent growth in wealth management, and private equity business net income grew by 46 per cent while housing finance business reported highest-ever profit, he added.

Motilal said its cash-cow retail broking business has grown 68 per cent year-on-year, benefitting from market expansion and industry consolidation.

He noted that the company has been investing its profit in its equity investment products, which has yielded strong returns and as a result, its net worth has touched a new high. Broking businesses added 43 per cent more clients at 8.8 lakh clients acquired in FY22.

Asset management

business AUM grew 13 per cent to Rs 49,020 crore and chipped in with a net income of Rs 183 crore for the year.

Private equity revenue grew to Rs 47 crore and net income rose to Rs 20 crore, and wealth management AUM grew 36 per cent to Rs 34,389 crore.

Asset and wealth management revenue rose to Rs 947 crore and contributed 23 per cent of consolidated revenue.

Motilal Oswal Home Finance reported the highest ever profit of Rs 93 crore on margin expansion that rose to 7.3 per cent. During the quarter, its largest PE growth fund has achieved its second close at Rs 4,000 crore within seven months of the launch and only Rs 500 crore short of the target, while the fifth real estate fund has raised Rs 1,200 crore.

### SBI Life Insurance net profit jumps 26% in January-March quarter

Private sector insurer SBI Life Insurance reported a 26 per cent jump in net profit in the January-March quarter (Q4FY22), aided by premium growth. The insurer reported a net profit of Rs 672 crore in the quarter compared to Rs 532.38 crore in the year-ago period, beating street estimates.

Its premiums increased by 12 per cent year-on-year (YoY) to Rs 17,434 crore, with the first year premium growing by 5.3 per cent. Renewal and single premium of the insurer grew by 14.6 per cent and 11.2 per cent,

respectively, in the same period.

"Premium growth remained in line, while shortfall in other income was off-set by lesser benefits paid as well as decline in actuarial liability. As a result, net profit for the quarter was up 26 per cent YoY," said ICICI Securities.

For the full year, new business premium grew by 23 per cent to Rs 25,460 crore in FY22, driven by strong growth in regular premium business by 25 per cent. Value of new

business (VNB) of the company grew by 39 per cent YoY to Rs 3,700 crore and new business margin, a measure of profitability, stood at 26 per cent, up 270 basis points over last year.

VNB is the present value of expected future earnings from new policies written during a specified period. It reflects the additional value expected to be generated through writing of new policies during a specified period. The 13th month persistency stood at 88.35 per cent in FY22 versus 87.92 per cent in FY21.

### IndiGo runs first trial flight using GAGAN satellite technology

IndiGo made history on Thursday as it became the first airline in Asia to use the indigenously developed satellite-based navigation system during landing.

The trials were carried out in the presence of the Directorate General of Civil Aviation (DGCA) officials at Kishangarh Airport near Ajmer with an ATR72 aircraft.

The system, known as GAGAN, has been jointly developed by the Airports Authority of India (AAI) and the Indian Space Research Organisation. With the help of reference and uplink stations, GAGAN provides corrections to the global positioning system signal to improve air traffic management.

While the project was unveiled for aviation use by then civil aviation minister Puspapati Ashok Gajapathi Raju in 2015, it remained a non-starter until now.

### Unilever raises prices, warns of more hikes on cost pressures

Unilever, Carlsberg and Pernod Ricard are increasing the pressure on consumers worldwide with higher prices for Dove soap, beer and Havana Club rum, raising the risk that shoppers may start to balk at spending more.

All three firms reported sales growth at about double the pace analysts had expected. Unilever raised prices by over 8 per cent in the first quarter and warned more hikes were on the way.

It forecast full-year revenue growth at the top end of its forecast, though warned that profitability may suffer as consumers cut back on purchases. Consumer-goods makers are walking a tightrope as the war in Ukraine

higher. For instance, visibility requirement for regular passenger flights at Kishangarh is 5,000 metres (m). Using the GAGAN-based technology, an aircraft will be able to operate with a visibility of around 800 m.

"We started training our pilots after receiving approval from the regulator. Last week, we successfully carried out simulator checks to assess our capabilities. After the trial flight on Thursday, the DGCA will give us the final approval, which will be endorsed in our air operator certificate," said Captain Ashim Mitra, senior vice-president (flight operations), IndiGo.

SpiceJet, too, has made an application to the DGCA, seeking approval for satellite-based approaches, it is learnt.

Aircraft rely on radio navigation aids for precision landing and approaches. However, smaller airports lack modern navigation aids. Visibility requirements to such smaller airfields are much

"A number of airports, including those under the Regional Connectivity Scheme, are being surveyed for development of GAGAN-based localiser performance with vertical guidance instrument approach procedures, so that suitably equipped aircraft can derive maximum benefit in terms of improved safety during landing, reduction in fuel consumption, reduction in delays, diversions, and cancellations," AAI said in a press release.

At present, IndiGo, SpiceJet, Air India, Go First, and AirAsia India have aircraft that are capable of carrying out these satellite-based procedures.

Unilever forecast raw material cost inflation of \$2.8 billion in the second half. That continued on Pg no. 2

### lockbuster M&As keep India's deal street buzzing despite market volatility

India's deal street is buzzing yet again despite indices remaining volatile across the globe. Several blockbuster deals like Reliance Industries' (RIL) potential \$10-billion (Rs 76,000 crore) acquisition of European medicine chain Walgreens Boots; Adani and JSW groups bidding for Ambuja Cements and the merger of the HDFC twins are leading the merger and acquisitions (M&A) pecking order.

In the first four months of 2022 (till April 28), M&A deals, and deals in the making, have already crossed \$105 billion, compared to \$44.2 billion in the first four months of 2021. In 2021, Indian companies reported M&A deals worth \$149.4 billion — its highest ever — up 31.2 per cent over 2020, according to statistics collated by Bloomberg.

According to a number of bankers, 2022 will be the best year for M&As.

Experts say there is a spurt in consolidation across industry verticals as seen in the mergers of HDFC and HDFC Bank, and multiplex operators PVR and Inox as cash-rich

companies pick up rivals at attractive valuations.

"There has also been a significant positive transaction through the first quarter (of calendar year 2022). With most corporates moving back to pre-Covid level of operations, more physical meetings are taking place and the deals are concluding faster with less fatigue and as a result, the traction is hot," said Aparjit Bhattacharya, Partner, DSK Legal, a leading corporate law firm.

The appetite for global conglomerates to enter India across industry verticals by buying local companies has regained significant steam, including various multi-billion dollar joint ventures being announced in untapped sectors like round-the-clock solar (RTC), battery storage, green hydrogen, to name a few. At the same time, Indian companies like RIL are tying up with Apollo Global to acquire Boots, the Financial Times reported on Wednesday.

Pre-initial public offering (IPO) deals have also been on the rise, leading to significant M&A transactions.

### Steel Minister dedicates to nation JSPL's 1.4 MT rebar mill at Angul plant

Steel Minister Ram Chandra Prasad Singh on Thursday dedicated JSPL's 1.4 MTPA TMT rebar mill located at the steel unit here to the nation.

The rebar mill is one of the world's largest rebar making units and the only producer of 50 mm width TMTs in India, Jindal Steel and Power Ltd (JSPL) said in a statement.

"Union Steel Minister Ram Chandra Prasad Singh dedicated one of the world's

largest 1.4 MTPA capacity rebar mill to the Nation on Thursday," JSPL said.

The ultra-modern rebar mill of 1.4 MTPA (million tonne per annum) capacity is located at JSPL's 6 MTPA plant in Angul, Odisha.

The minister also visited JSPL's 2 MTPA coal gasification plant (CGP) located within the steel unit. JSPL is the only company in India which is using coal gasification

technology to produce steel at its plant in Angul.

The coal gasification plant is equipped with carbon capture technology. It captures approximately 2,000 tonnes of CO2 per day, helping reduce carbon footprint significantly, it said.

JSPL Chairman Naveen Jindal said, "We are privileged that India's largest TMT rebar continued on Pg no. 2

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**NOTICE**

Pursuant to Regulation 29 read with Regulation 49 of SEBI (Listing obligation and Disclosure Requirements) Regulations, 2015, Notice is hereby given that a Meeting of the Board of Directors of the Company is Scheduled to be held on Tuesday, 10<sup>th</sup> May, 2022 Inter alia to consider and take on record the Audited Financial Results for the Fourth Quarter and Year ended 31<sup>st</sup> March, 2022 and other Business.

The Said Notice may also be accessed on the Company's Website at [www.polylinkpolymers.com](http://www.polylinkpolymers.com) and on the Stock Exchange Website at [www.bseindia.com](http://www.bseindia.com).

For Polylink Polymers (India) Limited  
 Sd /  
 Ankit Vageriya  
 Company Secretary

Date : 30.04.2022  
 Place: Ahmedabad