

PVR Inox shares fade to black: Down 23%

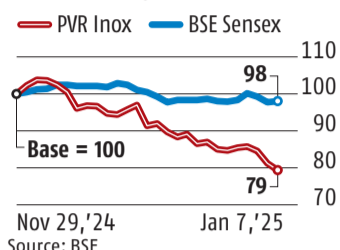
Shares hit 44-month low as HMPV scare rattles market

DEEPAK KORGAONKAR
Mumbai, 7 January



PVR Inox shares hit a 44-month low of ₹1,154, declining 8 per cent on the BSE in Tuesday's intraday trade in an otherwise firm market, driven by growth concerns. The stock has slipped 23 per cent from its December high of ₹1,620, touched on December 5, 2024. It has fallen below its previous low of ₹1,203.7 from June 4, 2024, and is trading at its lowest level since May 2021.

TRAILER?



Shares of PVR Inox closed 2.2 per cent lower at ₹1,223.05 on Tuesday, its lowest level since May 20, 2021, while the BSE Sensex closed 0.3 per cent higher at 78,199.

This sharp fall coincides with India reporting five cases of human metapneumovirus (HMPV) on Monday. The virus, which causes respiratory illness, was recently identified in China and Malaysia as well. Two cases were detected in Karnataka, two in Tamil Nadu, and one in Gujarat. All five confirmed cases were in children.

PVR Inox, the market leader in India's multiplex space, operates 1,747 screens across 111 cities in India and Sri Lanka. Its revenue is primarily derived from box-office ticket sales, along with high-margin food and beverage sales, on-screen advertising, and convenience fees from online bookings. Over the past year, PVR Inox has underperformed the market, falling 24 per cent, while the Sensex rose nearly 10 per cent.

Once synonymous with premium movie experiences and innovation, PVR Inox has faced several challenges in recent years. These include the Covid-19 pandemic, a weak content pipeline, competition from streaming platforms, rising costs, and financial stress, which have disrupted its growth trajectory.

The rise of streaming services like Netflix and Disney+ Hotstar has posed a challenge by offering an alternative to cinema. While PVR's merger with Inox aimed to

create scale and operational synergies, integrating the two large entities has been complex, delaying the realisation of benefits.

Independent and regional single-screen cinemas, offering cheaper tickets and concessions, have also gained market share, particularly in Tier-II and -III cities. The high price of tickets and food has deterred middle-class consumers, especially for non-peak screenings, according to analysts.

In the first half/H1 (April to September) of 2024-25 (FY25), PVR Inox reported a consolidated loss of ₹114 crore, down from a profit after tax of ₹163.3 crore in the same period of 2023-24 (FY24). Total income declined by 14.76 per cent to ₹2,850.5 crore from ₹3,340 crore in H1FY24. Earnings before interest, tax, depreciation, and amortisation (Ebitda) dropped 53 per cent year-on-year to ₹206.9 crore, and margins contracted to 12.6 per cent from 22.1 per cent.

The management has expressed confidence that the third quarter will be the best quarter of FY25, driven by a strong content pipeline

and room for growth in occupancy levels in calendar year 2025. They expect Ebitda margins to improve further with increased occupancy and operating leverage, and they are actively working to control fixed costs, especially rentals. The company is renegotiating rental agreements with developers of underperforming malls.

Following a restructuring, the current screen count is around 1,700. Ventura Securities expects this to grow to 1,900 by 2026-27 (FY27), with a total capital expenditure of ₹400-450 crore. The brokerage firm believes that recent successes like *Stree 2* and *Pushpa 2: The Rule* suggest a recovery in occupancy levels, and it initiated coverage with a contrarian 'buy' call on PVR.

The brokerage conservatively estimates that PVR Inox's revenue will grow at a 10.5 per cent compound annual growth rate (CAGR) to ₹4,850 crore by FY27, driven by ticket sales, food and beverage, advertising income, and convenience fees. They expect Ebitda and net earnings to grow at a CAGR of 13.2 per cent and 25.4 per cent, respectively, over the same period.

The firm's management intends to use free cash flow to retire debt by 2028-29, which should improve return ratios (return on equity/return on invested capital) to 1.8 per cent and 27.2 per cent by FY27.

Ventura Securities cautioned that their estimates are based on conservative assumptions, and any significant traction could lead to significant upside risk to their projections.



HEALTH INSURANCE CLAIM DENIAL

Compare cited reasons with policy terms before challenging decision

HIMALI PATEL

Health and general insurers paid 82 per cent of claims by volume and 71.3 per cent by value (₹1.17 crore), according to the Insurance Regulatory and Development Authority of India's (Irdai's) annual report for 2023-24. Of the remaining 28.7 per cent by value, nearly 13 per cent were rejected and over 9 per cent repudiated.

Understanding the distinction between rejection and repudiation is crucial. "Rejection occurs before a review or assessment, often due to incomplete information or errors. It is not permanent and can be reversed. Repudiation, on the other hand, happens when an insurer reviews a claim, and decides it is not covered under a policy's clauses. It is permanent," says Shilpa Arora, co-founder and chief operating officer, Insurance Samadhan.

Why do claims get denied?

Health insurance claims are

often denied due to exclusions in policy terms. Buyers frequently overlook the fine print or misinterpret clauses.

"Permanent exclusions, hospitalisation during waiting periods, non-disclosure of pre-existing conditions, treatment at excluded hospitals, and premium payment lapses are the main reasons for rejections," says Abhijeet Ghosh, joint executive president, Star Health and Allied Insurance.

Initial steps

Policyholders should first understand the reason for claim denial. "Review the reasons cited by the insurer and verify if they align with policy terms. If denial is due to missing or inadequate documents, submit them promptly. Insurers typically provide an escalation matrix in their rejection letters to guide policyholders," says Ghosh.

Start by contacting the insurer's customer support cell through email or helpline numbers. Share basic details like the claim reference number, explain the issue, seek clarification, and then register a complaint. If unsatisfied, escalate the issue to the insurer's grievance cell. "Justify why the claim should be paid. According to Irdai guidelines, the cell must respond within 14 days. If still unsatisfied, escalate the matter to the Grievance Redressal Officer (GRO)," says Arora.

If the GRO does not resolve the issue, approach Bima Bharosa, Irdai's grievance cell. If a resolution is still not reached, the next step is the Office of Insurance Ombudsman or Bima Lokpal.

Ombudsman for mediation

India has 17 ombudsman offices. A complainant can locate the relevant office on Irdai's website. Complaints can be submitted online, via email with supporting documents, through the Council for Insurance Ombudsmen's portal, or by post.

"An ombudsman acts as a mediator between insurer and insured for disputes involving amounts up to ₹50 lakh. Complaints must be filed within a year of the insurer's final response," says Arora.

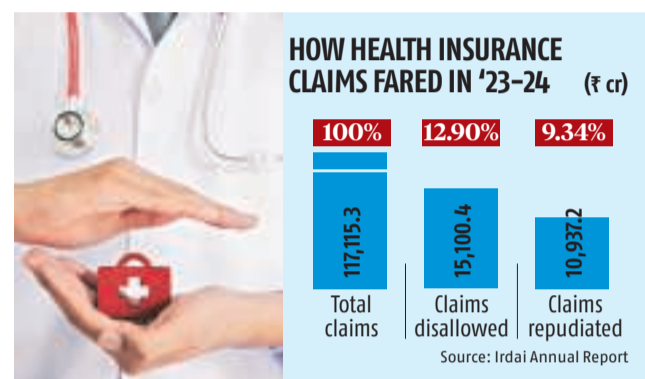
Escalate to consumer court

If the ombudsman's decision is unsatisfactory, policyholders can file a complaint in a consumer court. While individuals can represent themselves, Arora advises hiring a lawyer for complex cases or disputes involving large amounts.

Choose the appropriate forum based on claim amounts. "The District Consumer Disputes Redressal Forum handles claims up to ₹50 lakh. State Redressal Commissions address claims between ₹50 lakh and ₹2 crore, while the National Commission handles claims exceeding ₹2 crore," says Nishant Datta, advocate, Delhi HC.

Case papers should include supporting evidence such as receipts, medical reports, and invoices, along with detailed explanations of why the rejection was unjustified.

"File complaints within two years of the dispute. Specify the relief sought, such as settlement or compensation. Present a professional, evidence-based case to enhance the chances of success," says Datta.



Amfi's 13-point proposal to push MF investment

The Association of Mutual Funds in India (Amfi) has presented a 13-point proposal to enhance the mutual fund (MF) industry and promote investor participation. The recommendations include restoration of long-term indexation

benefit for debt schemes. Here's a look:

- Reintroduction of long-term capital gains Indexation
- Restoration of the earlier tax rates on capital gains
- Amending the definition of equity-oriented funds to include fund of funds

investing in equity-oriented funds

- All MFs be allowed to launch pension-oriented schemes with uniform tax treatment as NPS
- MF units be notified as 'specified long-term assets' qualifying for exemption on LTCG

■ Increasing the threshold limit for withholding tax on income distribution by MF schemes

- Relaxation to MFs in case of deduction of TDS for inoperative PAN cases
- Amending ELSS Rule 3A, allowing flexible investment amounts

- Exemption from capital gains tax for switches between ELSS schemes
- Simplification of taxation for MFs
- Inclusion of AIFs in the tax exemption framework
- Encouragement to ESG investments
- Debt-linked savings scheme to expand India's corporate bond market.

Read full report here: mybs.in/2ejqkx7

COMPILED BY SUNAINAA CHADHA

PUBLIC NOTICE FOR 11TH ROUND OF E-AUCTION – PUNJ LLOYD LIMITED (-IN LIQUIDATION)

Sale of the Company on a going concern basis and in alternate various Set of Assets of the Company pursuant to the Insolvency and Bankruptcy Code, 2016

Announcing the 11th round of e-auction for sale of various 'Set of Assets' of Punj Lloyd Limited – in Liquidation ("the Company"), including the sale of the Company on a going concern basis and sale of certain assets of the Company on collective basis, as per details mentioned in the table below, through public e-auction process. The Company is undergoing liquidation pursuant to the Order dated 27 May 2022, of Hon'ble National Company Law Tribunal, Principal Bench, New Delhi. The Company is incorporated in 1988, is a well-diversified business conglomerate, engaged in the business of Engineering, Procurement and Construction with geographic presence across India and Middle East Countries offering services in Energy, Road and Infrastructure along with manufacturing capabilities in the Defence sector.

Interested applicants may refer to the detailed 'Asset Sale Process Memorandum for 11th round of e-auction' ("ASPM") uploaded on website of the Company <http://www.punjlyoddgroup.com/liquidation-documents> and also on E-Auction website <https://ncltauction.auctiontiger.net>.

The Auction Sale will be done through the E-Auction platform: <https://ncltauction.auctiontiger.net>

The details of the assets of the Company proposed to be sold in the 11th round of e-auction are as follows:

Set of Asset	Asset Description	Manner of sale	Date and time of E-Auction	Reserve Price (in INR)	EMD Amount (in INR) & Submission deadline
Category A					
Asset Set 1	Sale of Punj Lloyd Limited as a whole (excluding certain assets as provided in the 'ASPM')	On a Going Concern Basis	06 February 2025 from 10:00 hours IST to 12:00 hours IST	358.20 Crore	10.00 Crore On or before 03 February 2025
Category C*					
Asset Set 2	Sale of Arbitration Assets of Punj Lloyd Limited	On Collective Basis	07 February 2025 from 10:00 hours IST to 12:00 hours IST	196.00 Crore	10.00 Crore On or before 04 February 2025
Category D*					
Asset Set 3	Sale of Leasehold Land, Building and Plant & machinery at Malanpur, Madhya Pradesh	On Collective Basis	07 February 2025 from 10:00 hours IST to 12:00 hours IST	78.30 Crore	7.83 Crore On or before 04 February 2025
Asset Set 4	Sale of Land at Sindhudurg District, Maharashtra	On Standalone Basis	07 February 2025 from 10:00 hours IST to 12:00 hours IST	12.48 Crore	1.24 Crore On or before 04 February 2025
Asset Set 5	Sale of Land at Mehasana, Gujarat	On Standalone Basis	07 February 2025 from 10:00 hours IST to 12:00 hours IST	98 Lakhs	9.80 Lakhs On or before 04 February 2025
Asset Set 6	Sale of Plant & Machinery and Inventory at DAPL site, Odisha	On Collective Basis	07 February 2025 from 10:00 hours IST to 12:00 hours IST	32 Lakhs	3.20 Lakhs On or before 04 February 2025

* It is clarified that if a Successful Bidder is declared for Asset Set 1 under Category A, i.e., Sale of the Company on a going concern basis, the Liquidator reserves the right to cancel e-auction of all Asset Sets under Category C and D. Further, the Liquidator also reserves the right to cancel e-auction of any or all Category(ies) and/or Set of Asset(s) being sold under 11th round of e-auction. Further, as per the provisions of the IBBI (Liquidation Process) Regulations, 2016, as amended, all interested bidders for the respective Category(ies) and/or Set of Asset(s) are required to submit the Expression of Interest along with the requisite eligibility documents on or before 23 January 2025 as provided in the 'ASPM'. The Liquidator reserves the right to amend the key terms of the sale process including timelines for any or all Category(ies) and/or Set of Asset(s) being sold in the 11th round of e-auction, to the extent permissible under the applicable laws and regulations. Any information about amendments /extension of any of the timelines with respect to the sale process timelines for any or all Category(ies) and/or Set of Asset(s) will be available on the Company's website and communicated to the Eligible/Qualified/Successful Bidder(s).

Please scan the QR code below for accessing short videos containing information and credentials regarding Asset Set 1 & 3:



(Asset Set 1)



(Asset Set 3)

Please scan the QR code below for sale teasers regarding Asset Set 1 & 3:



(Asset Set 1)



(Asset Set 3)

Nothing contained herein shall constitute a binding offer or a commitment for sale of assets of the Company including sale of the Company as a whole, on a going concern basis.

Please feel free to contact Mr. Ashwini Mehra at LQ.PUNJ@in.gt.com or Mehra.ashwini@gmail.com or Mr. Surendra Raj Gang at Surendra.raj@in.gt.com (representative of GT Restructuring Services LLP, IPE appointed as professional advisors to the Liquidator) in case any further clarification is required

Sd/-

Ashwini Mehra
Liquidator

(Regn No: IBBI/IPA-001/IP-P00388/2017-18/10706)
Punj Lloyd Limited - in Liquidation
Authorization for Assignment valid till -30 June 2025

Correspondence Address: Mr. Ashwini Mehra, Liquidator
Punj Lloyd Limited

C/O Mr. Surendra Raj Gang
GT Restructuring Services LLP L-41, Connaught Circus New Delhi - 110001

E: LQ.Punj@in.gt.com

Registered address of Liquidator with IBBI
C 1201, Salarpuria Magnificia, Old Madras Rd, Bangalore 560016

E: Mehra.Ashwini@gmail.com

Date : 08 January 2025
Place: New Delhi