

# HDFC Bank m-cap surges past ₹8-trillion mark



BS REPORTER  
New Delhi, 25 November

The market capitalisation of HDFC Bank went past ₹8 trillion in early trade on Wednesday, making it the first domestic lender to achieve the feat. The private lender's market valuation rose to ₹8,05,742 crore on BSE before ending below the mark at ₹7.72 trillion.

HDFC Bank, which is at number three position in overall market-cap ranking of listed companies, has become the first lender to achieve the milestone.

Shares of HDFC Bank jumped 1.76 per cent to its one-year high of ₹1,464 on BSE. So far, this year, HDFC Bank

shares have gained 15.11 per cent.

At present, Reliance Industries leads the pack with ₹13.34 trillion market-cap, followed by Tata Consultancy Services with ₹10.19 trillion market-cap, data shows.

Hindustan Unilever is fourth with ₹5.08 trillion market-cap, followed by Infosys with ₹4.83 trillion market-cap, BSE data shows.

In the past month, HDFC Bank has outperformed the market by gaining 17 per cent, against 10 per cent rise in the S&P BSE Sensex.

In three months, the private sector lender's stock has rallied 30 per cent, as compared to 15 per cent gain in the benchmark index.

In the July-September quarter

(Q2FY21), HDFC Bank reported strong results with net profit growing 18.4 per cent year-on-year at ₹7,513 crore on the back of substantial growth in interest earnings and other income.

Net interest income (NII) of the bank for Q2FY21 grew 16.7 per cent year-on-year at ₹15,776 crore, driven by asset growth of 21.5 per cent and a core interest margin for the quarter of 4.1 per cent. On asset front, gross non-performing assets of the bank fell to 1.08 per cent of the gross advances as on September 30, 2020, as against 1.38 per cent a year earlier. Likewise, net non-performing assets, too, came down to 0.17 per cent from 0.42 per cent.

## The MilkMahaan of India!



# Unacademy crosses \$2-billion valuation

PEERZADA ABRAR  
Bengaluru, 25 November

Adding to the list of phenomenal edtech fundraises this year, Unacademy has raised a fresh undisclosed investment from Tiger Global Management and US-based Dragoner Investment Group.

The company didn't disclose the funding amount, but said it values Unacademy at \$2 billion. The latest fund-raise follows a round in September when it raised \$150 million, led by SoftBank Vision Fund 2. At that time, Unacademy's valuation had trebled to \$1.45 billion in six months and became the second-most valued edtech start-up, after Byju's - which is valued at \$10.5 billion.

"Our mission from Day One has been to democratise education and make it more affordable and accessible. We have consistently built the most iconic products that deliver high-quality education to everyone," said Gaurav Munjal, co-founder and chief executive officer (CEO), Unacademy, adding, "I am delighted to welcome Tiger Global and Dragoner as our partners in the journey. They are both marquee global investors with a history of partnering with innovative companies making an impact on people's lives."

The start-up was founded by Gaurav Munjal, Roman Saini, and Hemesh Singh in 2015, initially on YouTube in 2010. It has become one of the largest learn-



Gaurav Munjal (centre), Hemesh Singh (right), and Roman Saini

### VALUATION GROWTH

Figures in \$ bn



Source: News reports

ing platforms, with over 47,000 educators teaching in over 14 Indian languages, and learners spread across 5,000 cities. Over 150,000 live classes are conducted on the platform each month. The collective watch time across platforms is over 2 billion minutes per month.

"The opportunity to improve lives through online education is enormous because of its sheer accessibility," said Scott Shleifer, partner at Tiger Global, adding, "The Unacademy team has innovated rapidly to build a leading platform that is taking education to the farthest corners of India. We are very excited to

partner with Unacademy and look forward to seeing it scale up further."

Unacademy also runs a popular programme 'Legends on Unacademy', where well-known personalities take live classes for its learners on life lessons. Top personalities such as Indian Captain Virat Kohli, Wikipedia Co-founder Jimmy Wales, Starbucks Co-founder Zev Siegl, entrepreneur Randi Zuckerberg, and former Indian captain Sourav Ganguly have shared their experiences related to hard work, overcoming failures, and moving forward in life.

The Covid-19 pandemic has been a watershed moment for India's edtech sector. Since March, Unacademy has doubled the number of active subscribers. It has opened up the platform to schools and colleges to conduct live classes without any interruptions. It expects to earn an annual recurring revenue of \$300 million in the coming years.

# Start-ups emerge out of Covid shadow

Sector is also starting to see renewed interest by investors

BIBHU RANJAN MISHRA  
Bengaluru, 25 November

From severe cash crunch in the early phase of the pandemic in April-May when they were hardly left with three months of working capital, start-ups in the country have seen significant improvement with many claiming they now have more than doubled their runway, a Nasscom report said on Wednesday.

The report, based on a survey of over 270 technology start-ups, said that almost half of the respondents expect to hit pre-Covid levels in terms of business over the next six months.

The factors that are helping the sector to bounce back include rapid adoption of digital solutions in the country. Government-led initiatives — such as Atmanirbhar Bharat, Digitalisation of India, and a greater focus on sustainable business models — are also attracting interest from venture capital firms.

A similar survey conducted by the industry body in May had said that majority of the start-ups were running low on ammunition with just 8 per cent of them saying their working capital



would help them to last for six months. The share of such start-ups has now gone up to 43 per cent.

The sector, the latest survey found, is also starting to see a renewed interest by investors. It attracted over \$1.7 billion in the past six months, with most deals getting sealed only in the past three months.

Almost a quarter of the start-ups, who participated in the survey, said they have been able to raise funds or find prospective investors as compared to just 7 per cent reported during the May survey. Start-ups, especially in edtech, healthtech, and software as a service, continue to attract investor interests.

**ROAD TO RECOVERY**  
Four start-ups turn unicorns despite pandemic

43% of start-ups have enough cash to sustain for over 6 months as compared to 8% in May

A fifth of tech start-ups lift hiring freezes, go for selective hiring

Product diversification new normal for start-ups

**India's IT, business services mkt to hit \$13 bn by Dec: IDC**

India's IT and business services market is expected to grow 5.4 per cent annually to reach \$13 billion by December this year, research firm IDC said.

The segment grew 5.3 per cent year-on-year (YoY) in January-June (H1) 2020 period as compared to 8.9 per cent growth in H1 2019, IDC said. Of the IT and business services market, the IT services market contributed 77.4 per cent in H1 2020, growing 5.9 per cent YoY as compared to 9.3 per cent growth in the year-ago period.

"IT services market will begin picking up momentum gradually from 2021 and is projected to grow at compound annual growth rate of 7.2 per cent between 2019 and 2024, to be valued at \$13.4 billion by the end of 2024," it said. This reduced rate of growth in the IT services market in India is due to the pandemic, IDC said.

"During H1 2020, application hosting services and infra hosting services continued to be higher growth markets on account of increasing adoption of cloud applications (majorly collaboration applications and video-conferencing) and cloud infra," IDC said.

## Taj hotel chain reviews costs

Indian Hotels, the luxury hotel chain run by the Tata Group, used the coronavirus-imposed lockdown to see where it could save costs. "This was the historic opportunity to review our fixed and variable costs," Chief Executive Officer Puneet Chhatwal said on Wednesday. "The industry never experienced such a revenue decline in last 100 years."

The firm, which owns the iconic Taj brand and operates The Pierre in New York City, didn't cut any jobs but redeployed some staff elsewhere in the Tata empire, Chhatwal said. The company slumped to a ₹3.8 billion (\$51 million) loss in the six months ended September 30 from a ₹1.4 billion profit a year earlier, as a 73 per cent plunge in revenue eclipsed 36 per cent cost savings. Its shares have rebounded 82 per cent from a six-year low in May as India's economy gradually reopens.

BLOOMBERG

## ILL raises vaccine capacity by 35%

Hyderabad-based vaccine maker Indian Immunologicals (ILL) on Wednesday started work on a ₹75-crore viral antigen manufacturing facility in Genome Valley, Telangana, that will enhance its viral vaccine making capacity by 35 per cent by October next year.

It has a pipeline of viral vaccines including Zika, dengue, varicella, as well as a potential Covid-19 vaccine. The new viral antigen facility will be specially designed as a multi-product facility.

ILL also inaugurated a sterile filling facility on Wednesday that has come up with an investment of ₹75 crore.

SOHINI DAS

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