



Jaitley Resumes Charge as FM
ECONOMY & COMPANIES >> 4

Trump Declares National Emergency to Build Wall
AROUND THE WORLD >> 9

ON Saturday

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Exports Pick up 3.74%, Imports Remain Stagnant in January
India's exports picked up slightly in January with the traditional, job-creating sectors showing a rise in outward shipments at the beginning of the new calendar year. Exports grew 3.74% to \$26.3 billion in January while imports rose a meagre 0.01% to \$41.09 billion, leaving a trade deficit of \$14.7 billion. >> 4

Reserve Bank Pulls up Yes Bank for Disclosing Confidential Report
RBI has warned Yes Bank with regulatory action for making public its observation of the bank's risk assessment report (RAR), which had said there was no divergence between what the bank reported as non-performing assets and that identified by the regulator. >> 6

Cognizant to Pay \$25 million to Settle Bribery Charges
Cognizant Technology Solutions has agreed to pay \$25 million to settle charges towards violation of the Foreign Corrupt Practices Act (FCPA), the US Securities and Exchange Commission said. It said on Friday two former Cognizant executives were charged for their roles in facilitating payments of millions of dollars in bribe to an Indian government official. >> 6

ET MAGAZINE ON SUNDAY

THE ECONOMIC TIMES magazine
A Second Ascendance

ET WEALTH ON MONDAY

THE ECONOMIC TIMES wealth
WHAT'S YOUR #10 YEAR CHALLENGE?

ET INSTA POLL
Is India underestimating the potential backlash its protectionist policies may bring in their wake?
50% YES, 42% NO, 8% CAN'T SAY
TODAY'S QUESTION: Do you think surgical strike is the right response to Pulwama terror attack?
www.economicstimes.com

Ecomm Cos may Adapt to New FDI Rules: DeVos

Amway global co-chairman says marketplaces likely to tweak their business models rather than exit India
Ratna.Bhushan@timesgroup.com
New Delhi: "Ecommerce marketplaces are just going to have to find some new ways to operate and adjust their business models," said Amway Corp co-chairman Doug DeVos, referring to India's revised guidelines on foreign direct investment (FDI) in the sector that took effect on February 1. "Ecommerce isn't going to stop."
Online sales for the maker of Nutrilite dietary supplements, Amway Queen cookware and Glister toothpaste currently contribute close to 35% to its India revenue.
"We have had challenges too but we continue to believe in this market and work through it. I think the government is trying to get their arms around

RETALIATORY STEPS AGAINST PAKISTAN AFTER PULWAMA TERROR ATTACK

India Weighs Options, Including Military

Going On the Offensive



Home minister Rajnath Singh travelled to Srinagar and laid wreaths on the mortal remains of the troops. He was also the pallbearer for one of the jawans

- 1 Cabinet Committee on Security agrees to avenge Pulwama terror attack
- 2 Strategy chalked out to isolate Pakistan internationally; India reaches out to major nations
- 3 MFN status given to Pakistan withdrawn; more measures likely
- 4 Home minister Rajnath Singh to convene all-party meeting on Saturday to take Opposition on board
- 5 Centre to explore possibility of special joint session of Parliament to convey a message of solidarity



Terrorists and their backers... have made a big mistake. You will have to pay a very heavy price... I assure everyone that the forces behind the attack... we will bring them to justice. Security forces have been given complete freedom (to act)
NARENDRA MODI
Prime Minister

PM says attackers will pay 'heavy price': govt calls all-party meeting on Saturday, mulls special session of Parliament
Dalip.Singh@timesgroup.com

New Delhi: Prime Minister Narendra Modi's warning that those behind Thursday's Pulwama terror attack which killed over 40 CRPF soldiers would pay a "very

heavy price" came after the Cabinet Committee on Security (CCS) agreed that strong retaliatory action must be taken. ET has reliably learnt that besides diplomatic measures, military options are also being considered. These range from targeting Jaish-e-Mohammad camps in Pakistan-occupied Kashmir to directly taking on the Pakistan Army in areas along the Line of Control where India has an advantage. Jaish had claimed responsibility for the terror attack.
The CCS, which was briefed on the attack, came to the conclusion that evidence of Pakistan's role was incontrovertible. It was agreed that a cross-border military response must be pursued. Besides the PM, the meeting was attended by Raj-

nath Singh, Sushma Swaraj, Arun Jaitley and Nirmala Sitharaman. After the CCS meeting, the PM hit out at Pakistan for trying to destabilise India. "Security forces have been given complete freedom (to act)," he said at a railway function.
The CCS also gave its go-ahead to a strategy to isolate Pakistan diplomatically. The meeting also discussed the possibility of withdrawing India's high commissioner in Islamabad, Ajay Bisaria. The external affairs ministry, it was agreed, will ask Indian diplomats to engage with other countries and the UN to build global opinion against Pakistan's support to terror, said government sources.

Pakistan's MFN Status Scrapped

India plans more steps including higher duties, port curbs to inflict economic pain
Kirtika.Suneja@timesgroup.com

Beyond MFN
Higher tariffs likely soon on Pak goods
Selective restrictions or ban on imports
Non-tariff steps also likely to discourage imports
Response is WTO-compliant
PAK CAN'T MOVE WTO AS IT HAS NOT GIVEN MFN STATUS TO INDIA

New Delhi: India revoked Pakistan's most-favoured nation (MFN) status following the Pulwama terrorist attack that killed over 40 CRPF personnel and is exploring the possibility of further economic measures to tighten the screws on its neighbour. This may include imposing port restrictions, non-tariff measures, banning certain goods and higher duties on imports from Pakistan, officials said. "The MFN status, which had been

granted to Pakistan, stands withdrawn," finance minister Arun Jaitley said on Friday after the Cabinet Committee on Security met. "The MEA (Ministry of External Affairs) will initiate all possible diplomatic steps to ensure the complete isolation from the international community of Pakistan."
By withdrawing MFN status, India is no longer mandated to give the country the same treatment as all other members of the World Trade Organization.

SBI Taps Big 4 Auditors to Appoint RP for RCom

PSU lender also considering filing an independent application for insolvency against the Anil Ambani firm
Mohit.Bhalla@timesgroup.com

New Delhi: State Bank of India (SBI), one of the major lenders to Anil Ambani's Reliance Communications (RCom), has approached some of the Big Four audit firms and consultants to identify and select a resolution professional (RP) to manage insolvency proceedings of the telecom company.
EY and a previously appointed resolution professional for RCom are among the firms interviewed by the state-run lender, according to people in the know.
SBI is considering initiating an independent application to take RCom to the National Company Law Tribunal though the debt-ridden company had informed stock exchanges on Febru-

Taking Charge
SBI seeks to steer RCom insolvency
It has the largest loan exposure to RCom
RCom owes ₹40,000 crore to various lenders
EY is also fighting to recover ₹550 crore dues from RCom
SBI wants insolvency professional of its choice
May initiate independent insolvency application at NCLT
NCLT Had Approved RBSA as RP >> 6

Delhivery Buys Aramex's India Business

Ecommerce logistics startup Delhivery has acquired the Indian business of Dubai-based logistics firm Aramex, report Writankar Mukherjee & Sagar Malviya. >> 5

Amazon and Flipkart Vie for Hopscotch

Online retailers Amazon and Flipkart are fighting for a significant minority stake in 6-year-old online kids apparel company Hopscotch, report Kala Vijayraghavan & Baiju Kalesh. >> 11

LENDERS TO HOLD MAXIMUM STAKE

Banks, NIIF and Etihad to Restart Jet Engine with ₹3,400cr Infusion

Jet Fuel
JET TO GET ₹3,400 CR FROM BANKS, NIIF & ETIHAD
Post-infusion, banks to own 32% in airline
Etihad and NIIF to own 24.9% and 19.5%
Goyal's stake to come down to 20% no board membership & management control
Banks to convert ₹6,000-crore loan to long-term borrowing (10-year tenure)

Etihad, NIIF will hold about 24.9% and 19.5%, respectively; Goyal 20%
MihirMishra@timesgroup.com

New Delhi: A consortium of banks, along with the National Investment and Infrastructure Fund (NIIF) and Etihad, will invest about ₹3,400 crore in Jet Airways, leading to a much-reduced holding for founder Nareesh Goyal, a change in management control and lenders with the biggest stake. Following the infusion, which will be in phases, the consortium of banks, led by State Bank of India, will own 32% of the airline and Abu Dhabi-owned Etihad and the NIIF will hold about 24.9% and 19.5%, respectively, said a person with knowledge of the matter.
Goyal's stake will drop to 20% from 51%, stripping him of board membership and management control, the person said. He will, however, retain his status as promoter. ET had reported on Friday that Goyal's stake was likely to drop to this level.
"Both NIIF and Etihad funds will be converted into equity at a rate of ₹150 per share," said the person. A waiver from the Securities and Exchange Board of India for a subsequent public offer won't be required because Etihad's stake won't increase beyond 25% even after the equity infusion. The banks will get their stake in the company at ₹1 per share.

EGM on February 21 >> 6
DGCA TO CONDUCT SAFETY AUDIT OF JET >> 5

STOCK ENDS 4% LOWER Dr Reddy's Shares Fall 30% in Intra-day Trade

Shares of Dr Reddy's Laboratories recovered sharply after falling as much as 30% in intra-day trade and ended Friday 4% lower, pointing to easing concerns over an import alert after a US regulatory report on a key plant. A Jefferies research note had said that the US drug regulator had reiterated some concerns regarding DRL's Bachupally unit. >> 6

CHAUTHA

29.05.1922 - 13.02.2019

With profound grief we inform you that our respected Mother (Mataji)
Smt. Malti Mohinder Singh Syngle Ji
left for her heavenly abode peacefully on 13th February, 2019

CHAUTHA WILL BE HELD ON
16th FEBRUARY 2019, SATURDAY
5:00 - 7:00 PM
at Darbar Hall, Taj Palace, S.P. Marg, New Delhi (Followed by Prasad)

IN PROFOUND GRIEF
Manish-Neelima Syngle (Son & Daughter-in-law)
Manoj Singhal (Son)
Monika-Surinder Mohan Aggarwal (Daughter & Son-in-law)
Dhiraj Dhar-Chitra Gupta (Nephew & Daughter-in-law)

MM Auto Industries Ltd. Manesar-Haryana | M and M Public School Sangrur, Punjab | Mohinder Singh Syngle Education & Research Society | M and M College of Education Sangrur, Punjab

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ET INTERVIEW
We have had challenges too but we continue to believe in this market and work through it. I think the government is trying to get its arms around how the supply works for ecommerce companies
DOUG DEVOS Amway Co-chairman

wanting to exit this market for whatever reasons. After the initial shock, they will adjust and adapt in their business model to comply and find a path to be successful," he said.
According to the revised guidelines, no vendor can have equity participation by a marketplace or its group companies. The inventory of a vendor will be deemed to be controlled by the marketplace if more than 25% of the vendor's purchases are from the marketplace entity. India doesn't allow such control.
"GST, DeMo Show India a Robust Market" >> 4

und how the supply works for ecommerce companies," said DeVos, who is visiting the country for the India-US CEO forum.
DeVos dismissed a recent Morgan Stanley report that suggested Walmart may review its Flipkart investment following the new FDI rules. "I think that's a lot of short-term reaction. I can't imagine anyone