

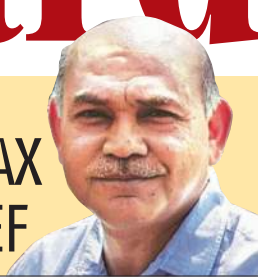
Business Standard

THE MARKETS ON MONDAY		
		Chg#
Sensex	35,498.4	▼ 310.5
Nifty	10,641.0	▼ 83.5
Nifty Futures*	10,662.3	▲ 21.3
Dollar	₹71.4	₹71.2**
Euro	₹80.8	₹80.3**
Brent crude (\$/bbl)**	66.1**	66.0**
Gold (10 gm)**	₹33,365.0	₹165.0

* (Feb.) Premium on Nifty Spot; ** Previous close;
Over previous close; ## At 9 pm IST;
Market rate exclusive of VAT; Source: IBIJA



WORLD P6
FB LABELLED 'DIGITAL GANGSTER' BY BRITISH LAWMAKERS

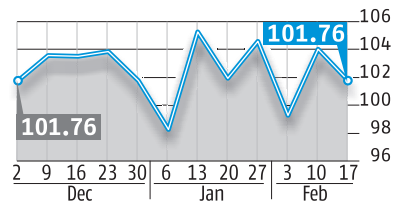


ECONOMY P4
CONFIDENT OF MEETING DIRECT TAX MOP-UP TARGET: NEW CBDT CHIEF

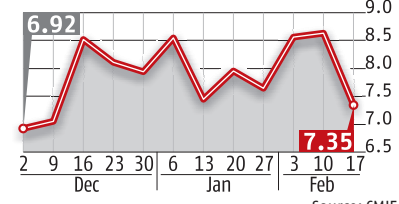
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THE CMIE TRACKER

Consumer Sentiment Index
(Base: September–December 2015 = 100)



Unemployment rate (%)



MORE TOWNIES, PLEASE P8

SC REFUSES REOPENING OF STERLITE PLANT

In a setback to Vedanta, the Supreme Court on Monday set aside the National Green Tribunal's order allowing the reopening of the company's Sterlite Copper unit at Thoothukudi in Tamil Nadu. Holding that the NGT had no jurisdiction to pass orders allowing the reopening, a two-judge Bench gave Vedanta the liberty to approach the Madras High Court for interim relief as its plant has been shut since April 2018. **▶**

ECONOMY P4

DoT may not extend trial duration for 5G spectrum

The Department of Telecommunications has expressed reservations over increasing the duration for allocating 5G spectrum for trials, as companies in the past sat on lowly priced airwaves, which otherwise would have fetched the central government a premium. **MEGHA MANCHANDA** reports

Vedanta, JSW may jointly bid for Essar

To keep Arcelor away, they could make an offer of ₹48K cr

ISHITA AVAN DUTT
Kolkata, 18 February

Vedanta and JSW Steel are in talks to make a joint bid for Essar Steel in a last attempt to keep ArcelorMittal away. A bid together, or one from either company, could be made next week, said sources aware of the development. Vedanta said they did not comment on market speculation, while JSW Steel did not make a statement. The bid could be in the range of ₹45,000-48,000 crore, and would be made on the grounds of value maximisation. Arcelor's bid is for ₹42,000 crore.

Sources said the companies were considering if JSW Steel should make the bid, or Vedanta.

Vedanta had submitted an expression of interest for Essar. JSW Steel had not, and therefore, had to partner Numetal as a step-down subsidiary in the second round of bidding. Both Vedanta and JSW Steel were aspirants for Essar Steel in the second round. This would be another attempt by both to get back in the fray.

After the Supreme Court order directed ArcelorMittal and Numetal to clear dues on account of defaulting firms that they were associated with, Numetal exited the race, and, in turn, JSW Steel. Between Vedanta and ArcelorMittal, the latter emerged as the preferred bidder.

Sources said even if the bid was put in by either of the companies, it would be jointly funded.

In January, JSW Group Chairman Sajjan Jindal, in an interview to *BloomberQuint*, had hinted that his interest in Essar might not be over yet.

Turn to Page 17 ▶



INSOLVENCY WOES

FEB 12, 2018: Numetal, ArcelorMittal submit bids for Essar Steel

MAR 21: Both bids found ineligible by RP

APR 2: Second round of bids submitted; NCLT directs RP to not open bids till applications are disposed of

APR 19: NCLT remands the first round of bids to RP and CoC for reconsideration, renders second round invalid

SEPT 7: NCLAT rules Numetal's second bid valid, directs Arcelor to clear dues of defaulting firms by Sept 11

OCT 4: SC grants Arcelor and Numetal time to clear dues for NPAs to be eligible to bid for Essar

OCT 25: Ruias make a settlement offer of ₹54,000

JAN 29, 2019: NCLT says Ruias' ₹54,000-cr bid not 'maintainable'

PAGE 2

MULLING ARCELOR'S OFFER FOR ESSAR MAHAN: PFC

NBCC LEADS RACE FOR JAYPEE INFRA WITH ₹1K CR OFFER

RBI to give ₹28,000 crore interim dividend to govt

Das to meet bank CEOs on Feb 21 to discuss rate transmission

SOMESH JHA & ARUP ROYCHOUDHURY
New Delhi, 18 February

The Reserve Bank of India (RBI) decided to transfer an interim dividend of ₹28,000 crore to the government in the current financial year (2018-19 or FY19) at its board meeting on Monday.

"Based on a limited audit review and after applying the extant economic capital framework, the board decided to transfer an interim surplus of ₹28,000 crore to the central government for the half-year ended December 31, 2018," the RBI said. The RBI board also "reviewed the current econom-



Finance Minister Arun Jaitley (left) and RBI Governor Shaktikanta Das at the RBI's board meeting in New Delhi on Monday

ic situation, global and domestic challenges, and other specific areas of operations". The dividend transfer will

help the Centre meet its revised fiscal deficit target of 3.4 per cent of GDP for FY19.

The government has accounted for the dividend in the interim Budget for 2019-20 (FY20). The interim Budget has revised the dividend from the RBI, nationalised banks, and financial institutions from ₹54,817 crore to ₹74,140 crore for FY19.

This is the second successive year that the RBI will transfer an interim surplus to the Centre. Usually, the central bank, which follows a July-June calendar, transfers dividend after closing its accounts in August. **Turn to Page 17 ▶**

Promoters' pledged shares up 60%

JASH KRIPLANI
Mumbai, 18 February

Promoters of India Inc continue to rely heavily on share pledging to raise debt for funding their core and non-core business activities. According to the data analysed from Capitaline, the promoters pledged more than ₹1.2 trillion worth of shares in 2018-19, 60 per cent higher than the previous year's tally.

So far in 2019, more than ₹16,000 crore worth of shares has been pledged by the promoters. The data analysis takes into account the val-

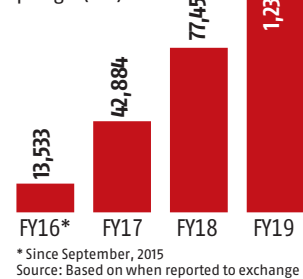
ue of shares reported by the listed companies to the exchange as part of their pledge creation disclosures.

Industry observers say structured deals, involving loans against shares (LAS), have led to a spurt in share pledging. Domestic mutual funds (MFs) are active participants in such deals with their exposure ranging between ₹25,000 crore and ₹30,000 crore.

Sources say such deals have come under the scanner of the Securities and Exchange Board of India (Sebi), which is engaging market players to assess the wider risks for the market. **Turn to Page 17 ▶**

RED ALERT

Promoters continue to pledge their listed shares to raise debt



* Since September, 2015
Source: Based on when reported to exchange