

Competition
for deposits
to riseTriumph
rides in Tiger
800 XCA at
₹15.16 lakh

Overleaf

quick
BITES

INDICATORS		%
Sensex	37,054.10	+1.04
Nifty 50	11,168.05	+1.20
S&P 500	2,774.86	+1.16
Dollar (₹)	70.02	-0.32
Pound Sterling (₹)	91.22	-0.88
Euro (₹)	78.85	-0.15
Gold (10gm)* (₹)	32053*114	-0.35
Brent crude (\$/bbl)*	66.25	+0.78
IN 10-Yr bond yield	7.512	-0.021
US 10-Yr T-bill yield	2.638	+0.013

* As of 10:30 pm IST

Apr-Jan rice, buffalo meat exports drop

India's rice exports for the April-January period dropped 10 per cent from a year earlier to 9.49 million tonnes, as leading buyer Bangladesh trimmed purchases due to a bumper local harvest, a govt said. Buffalo meat exports during the period fell 11 per cent from a year ago to 1.03 tonnes, the Agricultural and Processed Food Products Export Development Authority said.

Govt notifies phased import duty hike



The government has notified phased increase in basic customs duty on parts of electric passenger vehicles to be assembled in India to 15 per cent from April 2020 and 10 per cent on imported lithium-ion cells by April 2021. The notification is part of the road map under PMP, and entails doubling the basic customs duty on completely built units of electric buses and trucks to 50 per cent from April 2020.

Sudarshan Venu relinquishes post of joint MD

The board of Sundaram-Clayton said its joint Managing Director Sudarshan Venu has decided to relinquish his post with immediate effect. "Due to other business commitments, Sudarshan Venu relinquished his position as Joint MD of the company, effective 11th March 2019, as he will not be able to give sufficient time to manage the day-to-day affairs" Sundaram-Clayton, a TVS Group company, said.

Godfrey Phillips denies violating FDI norms

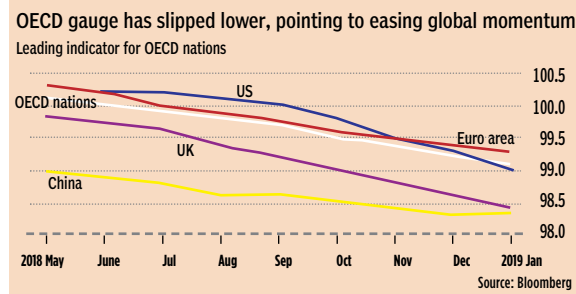
Cigarette maker Godfrey Phillips India said it is in complete compliance with the country's FDI norms and rejected allegations of violations regarding its arrangements for manufacturing Marlboro cigarettes. Godfrey Phillips has an exclusive procurement and supply agreement with Philip Morris International to manufacture and distribute Marlboro in the country.

Global economy hits weakest spell since financial crisis

FERGAL O'BRIEN
ZURICH, MARCH 11

The global economy's sharp loss of speed through 2018 has left the pace of expansion the weakest since the global financial crisis a decade ago, according to Bloomberg Economics. Its new GDP tracker puts world growth at 2.1 per cent on a quarter-on-quarter annualised basis, down from about 4 per cent in the middle of last year. While there's a chance that the economy may find a foothold and arrest the slowdown, "the risk is that downward momentum will be self-sustaining," say Economists Dan Hanson and Tom Orlik. The reasons for hope? The Federal Reserve's decision to pause its interest rate hikes, a US-China trade truce and the fading of the shocks that battered

One direction



Europe in 2018 could mean stabilization is around the corner. Other central banks have also stepped up, with the European Central Bank last week announcing new measures to help the economy through the current weakness.

But the global economy is not out of the woods. The OECD's latest composite leading indicator -- pub-

lished on Monday -- indicates easing momentum in the US, the UK, Canada, and the euro area as a whole, including Germany and Italy. There are, however, signs of stabilization in China.

Despite the gloom, ECB policy makers have been keen to put a brave face on the deterioration, pushing the view the euro zone is experiencing a slowdown,

Turkey tumbles into recession

Ankara, March 11: Turkey's economy fell into its first recession in a decade, official data showed on Monday, just weeks before President Recep Tayyip Erdogan's government faces local elections where growth and inflation will be key issues for voters. Economic output contracted by 2.4 per cent in the final three months of the year compared to the third quarter on a seasonally and calendar-adjusted basis, the Turkish Statistics Institute said. That followed a revised 1.6 per cent contraction in the third quarter. Two quarter-on-quarter contractions in economic output is considered a recession.

"We are still seeing robust economic growth, although it's less strong than before," Executive Board member Benoit

Japan's machine tool orders lowest since '09

YUKO TAKEO
MARCH 11
Japan's machine tool orders fell 29 per cent in February from a year earlier, the biggest drop since October 2009, adding to signals that a global slowdown is hitting the world's third-largest economy. The latest drop is the fifth straight and marks an acceleration in the decline, according to data from the Japan Machine Tool Builders' Association. Economists are flagging the risk of an economic contraction in the first quarter, with some even suggesting the economy may already have entered a recession.

Coecore said in an interview with Italian newspaper Corriere Della Sera published on Monday. "It will take longer for inflation to reach our objective,

but it will get there. We are reacting to the developments we have seen so far." "The cyclical upswing that took hold of the global economy in mid-2017 was

never going to last. Even so, the extent of the slowdown since late last year has surprised many economists, including us," said Bloomberg Economists.

There has been a modest pickup in some economic numbers recently, though it's hard to ignore the high-profile disappointments. US retail-sales numbers on Monday will be closely watched for a rebound from the biggest fall in a decade in December.

Last week, the US reported employers added the fewest jobs in more than two years. There may have been one-off factors to blame, but the scale of the miss puts in focus the idea that the economy's lost steam. This week, China will be in the spotlight with the release of retail sales, investment, credit and industrial production on the schedule.

— Bloomberg

■ Yet another blow to Monsanto as royalty halves

India cuts GM cotton seed royalty again

MAYANK BHARDWAJ
NEW DELHI, MARCH 11

India has cut the royalties that local seed companies pay to German drugmaker Bayer AG's Monsanto unit for the third time in four years.

Prime Minister Narendra Modi's government has decided to reduce royalties paid by Indian seed companies to Monsanto for its genetically modified (GM) cotton by 49 per cent to Rs 20 for a packet of 450 grams, according to a farm ministry order. Before it was Rs 39. The decision could prompt Monsanto and other foreign seed companies to further scale back investment in the sector, said Ram Kaundinya, Director General of the Federation of Seed Industry of India.

The decision comes at a time when India's cotton



output is falling and needs a breakthrough to help maintain its leading position in the global cotton market, said Kaundinya. New Delhi's cotton output is likely to fall to 32.8 million bales of 170 kg each in the year to September 2019 - the lowest in nine years, triggering higher imports of the fibre, according to industry group Cotton Association of India.

"The order is most disappointing," said Shivendra

Bajaj, Executive Director of the alliance for Agri Innovation, an advocacy group.

Other than cutting Monsanto's royalties, the government raised the prices of GM cotton seeds by 1.43 per cent to Rs 710 (\$10.16) a packet.

New Delhi approved Monsanto's GM cotton seed trait, the only lab-altered crop allowed in India, in 2003 and an upgraded variety in 2006, helping transform the

country into the world's top producer and second-largest exporter of the fibre.

Monsanto's GM cotton seed technology went on to dominate 90 per cent of India's cotton acreage.

However, Monsanto became embroiled in a dispute with Indian seed company Nuziveedu Seeds (NSL), which argued that India's Patent Act did not allow Monsanto any patent cover for its GM cotton. Monsanto and NSL are engaged in a maze of arbitration proceedings and legal cases.

Last month Monsanto has won proceedings against NSL in a royalty dispute.

The farm ministry first cut Monsanto's royalties in 2016, triggering a long-running feud that prompted the US ambassador to India at the time, Richard Verma, to approach Modi's office.

DRL seeks \$70mn from Indivior for opioid delay

ARI ALSTEDTER
MARCH 11

Dr. Reddy's Laboratories Ltd. is seeking more than \$70 million from Indivior Plc as compensation for lost US sales of its generic version of a leading opioid addiction treatment that was delayed in a patent dispute with the UK-based drugmaker.

Indivior had managed to block Dr. Reddy's generic version of Suboxone Film through a court injunction in July, despite the Indian company receiving regulatory approval earlier to sell the market-leading product for opioid dependence. Last month, the US Supreme Court refused to uphold that injunction, allowing Dr. Reddy's to resume sales of the drug.

"If we were not enjoined by the court, we would have made a lot of money," G.V. Prasad, Dr. Reddy's MD & CEO, said in an interview at the company's

headquarters in Hyderabad. "If we get the lost profits, it'll certainly outperform."

Suboxone is the leading prescription drug used to treat opioid abuse in the US, which is battling an addiction crisis that kills 130 Americans every day, by the Centers for Disease Control and Prevention's estimates.

Suboxone Film—absorbed by being placed under the tongue or inside the cheek to treat addiction to opioids, including heroin and prescription painkillers—accounted for almost all of Indivior's \$1 billion in sales last year.

Indivior posted a bond of \$72 million to cover Dr. Reddy's potential claim of lost profit while the injunction was contested, according to Prasad.

DRL is claiming that it's owed more than that since the injunction lasted longer than the bond was meant to cover. —Reuters

Goyal seeks ₹750-cr lifeline from Etihad

Mumbai, March 11: Jet Airways Chairman Naresh Goyal has sought an urgent funding of Rs 750 crore from its equity partner Etihad, citing "the very precarious" position of the airline following the lingering cash flow issues which got amplified after the forced grounding of over 50 of its planes.

In a letter to the Gulf-based carrier's Group Chief Executive Tony Douglas, Goyal also said the airline has also secured the go-ahead from the aviation ministry to pledge its shares in JetPrivilege for securing the interim funding.

The airline holds 49.9 per cent stake in the loyalty programme, while the majority is with Etihad. Sources said Etihad may infuse around Rs 1,600-1,900 crore into Jet



Naresh Goyal

Airways under a proposed deal wherein Naresh Goyal would step down as chairman of the domestic carrier.

Shares of Jet Airways settled with over 2 per cent gains following reports that the airline has secured a loan worth over Rs 2,000 crore from Punjab National Bank. On the BSE, the stock rose as much as 4.68 per cent to 254.50 intra-day. —PTI

NCLAT pulls up RCom lenders

New Delhi, March 11: The National Company Law Appellate Tribunal on Monday pulled up SBI, the lead lender of Reliance Communications, along with others for giving a 'false impression' to monetise Rs 37,000 crore from asset sales of the telecom company to Reliance Jio. A two-member bench headed by Chairman Justice S J Mukhopadhyaya came down heavily on the

lenders, specially SBI, and asked why a "proceedings against them should not be initiated" for this. "You have failed, JLF (Joint Lenders' Forum) has failed. No sale took place," the bench observed.

The bench said the lenders gave a "golden outlook" to NCLAT on recovery around Rs 37,000 crore from sale of assets but nothing happened. —PTI

Costly homecoming for Mittal

SWANSY AFONSO & UPMANYU TRIVEDI
MUMBAI/NEW DELHI, MARCH 11

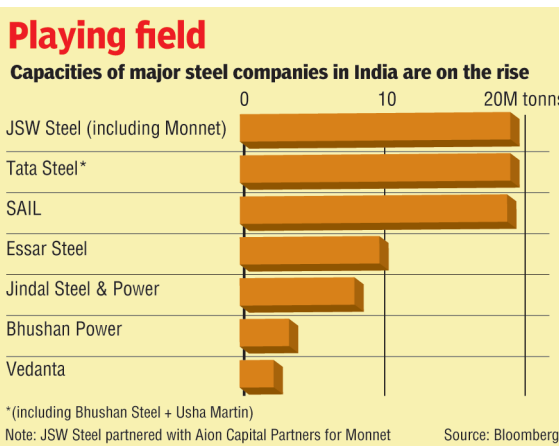
It's been a tough year as India's fourth-richest man has struggled to return to his roots.

When Lakshmi Mittal, 68, left India for a vacation through Asia more than four decades ago, he didn't plan to stay in Indonesia and lay the foundation for a steel empire that spans the globe and generated \$5 billion in profits last year. Yet that's what he did, even as a string of efforts to establish himself in India's steel market failed until now.

Mittal's global giant ArcelorMittal is finally nearing the end of a year-long battle to break into India with the \$5.9 billion acquisition of Essar Steel India. The Indian steel-maker was put on the block after its lenders approached the court to recover about \$7 billion in dues.

The forced sale of the 10 million tonnes a year mill has hit numerous roadblocks, including rules that compelled Mittal to shell out an extra \$1 billion to clear the dues of two firms where he held some stake and to reportedly sell his holdings in one of them for 1 rupee a share.

Perhaps the biggest hurdle was posed by Essar Group's Ruia brothers, who lost control of the mill after a regulator pushed it into bankruptcy



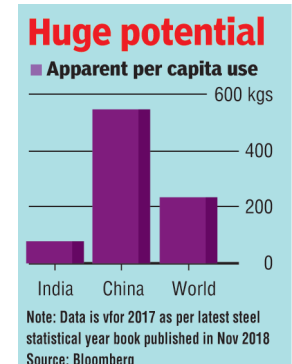
Ruia approaches NCLT

New Delhi, March 11: Three directors of erstwhile board of Essar Steel on Monday approached the National Company Law Appellate Tribunal (NCLAT) against a lower bankruptcy court order that allowed takeover of the company by ArcelorMittal. The matter was mentioned before a two-member bench headed by Chairman Justice S J

Mukhopadhyaya, which asked it to be listed after the Ahmedabad bench of the National Company Law Tribunal (NCLT) posts its full written order. The three directors of Essar Steel are Prashant Ruia, Dilip Oommen and Rajiv Bhatnagar. Standard Chartered Bank has also approached the appellate tribunal against the order. —PTI

court. Challenges from Essar Group, rival bidders and some creditors have seen ArcelorMittal make dozens of trips to court since an initial bid in February 2018 - dwarfing its five-month long campaign for Arcelor SA in what was the industry's biggest merger.

"We have acquired lots of companies around the world. For the first time, we have been sued for acquiring a company," Aditya Mittal, Mittal's 43-year-old son and the company's Chief Financial Officer, said in January. "These are unique circumstances."



The legal wrangling landed in the Supreme Court last year, setting precedents for India's two-year-old bankruptcy law. The drama also sounded a warning to other founders, who till recently were accustomed to an ineffectual court system and to walking away from debts without serious consequences.

Lakshmi Mittal was born in a village in Rajasthan, where, he has said, a lack of electricity and water made his early years difficult. Mittal joined his father's steel business early and went on to set up Mittal Steel in 1976 in Indonesia, before spreading out to Trinidad, Mexico and Germany. In 1994 the family business was split. Mittal's initial success overseas helped him decide that his future lay outside India, he has said, and he also wanted to avoid conflicts around expansion plans within the family. —Bloomberg

Ebix offers to acquire Yatra for \$336 mn

New Delhi, March 11: US-based software firm Ebix Inc. on Monday said it has offered to acquire Yatra Online Inc., the parent company of online travel firm Yatra.com, for \$336 million (over Rs 2,345 crore).

The company has sent a letter to the Board of Yatra Online, Inc. outlining the offer to acquire 100 per cent of the outstanding stock of Yatra Online for \$7 per share on a debt-free basis, Ebix Inc. said in a statement.

G u r u g r a m - b a s e d Yatra.com is a major player in the online travel sector and provides services, including domestic and international air ticketing, hotel bookings, homestays, holiday packages, bus ticketing, rail ticketing, activities and ancillary services.

Ebix intends to merge Yatra Online in the company's Indian EbixCash subsidiary set-up, it added.

"The Ebix offer, based on about 48 million Yatra Online diluted shares outstanding, represents a 84 per cent premium to Yatra Online's closing share price of \$3.80 as of March 8, 2019," the statement said.

The offer contemplates the assumption of all Yatra Online receivables, cash and restricted cash worth at least USD 25 million at the time of closing and other assets, with all liabilities being paid for by Yatra Online concurrent to the closing of the transaction, it added.

The company will pay for Yatra Online at its discretion either in cash or by issuing freely tradeable Ebix stock, the statement said.

"In case Ebix decides to pay for the acquisition in Ebix stock, then the Ebix stock will carry a minimum collar value of \$59 per Ebix share, calculated by dividing the total acquisition price payable to Yatra shareholders by the 10-day average price of the Ebix stock, preceding the closing date," it added.

Ebix also said that it reserves the right to reduce its offer at its discretion if it does not receive a positive engagement response from the Yatra Online Board in a timely manner or if any subsequent steps are taken by the company that could have an adverse impact on its future value, the statement said. —AFP