

IN BRIEF

**South Indian Bank to raise up to ₹250 crore**

NEW DELHI
South Indian Bank said it will raise up to ₹250 crore by issuing Basel III compliant bonds. "The Committee approved the information memorandum for issuance of rated, unsecured, redeemable, non-convertible, Basel III compliant, lower tier 2 bonds up to ₹150 crore with an option to retain an over-subscription aggregating up to ₹100 crore, aggregating to total issue size of ₹250 crore," the bank said in a regulatory filing. PTI

Create fund for farmers, FPOs in agri-commodity

NEW DELHI
SEBI on Wednesday asked exchanges dealing with agri-commodity derivatives to create a fund for farmers and FPOs in which the regulatory fee forgone by the regulator would be deposited. It also issued a framework for utilisation of the fund. In September last, the regulator decided to levy a nominal fee of ₹1 lakh per exchange instead of levying charges based on turnover slab rates and proposed to set up a fund with the fee foregone by it. PTI

Hudco to raise \$500 mn debt in global market

MUMBAI
Housing and Urban Development Corporation (Hudco) is in the international debt market with a benchmark dollar bond sale to raise at least \$500 million as part of its medium-term note (MTN) programme. The MTN programme has been assigned Baa2 by Moody's and 'BBB-' by Fitch Ratings. Hudco could not be contacted for more information. PTI

Global toy firms eye India sourcing

Mattel, Funskool in talks; majors exploring options thanks to U.S.-China trade war

**SPECIAL CORRESPONDENT
CHENNAI**

A leading international toy maker has started exploring options for sourcing toys from India, due to the ongoing trade war between the U.S. and China, said a top industry executive.

"The trade war has put pressure on China. Besides, the labour cost is going up significantly in China," said Arun Mammen, chairman, Funskool India. "As a result, international companies are planning to source not only toys but also other products from India and southeast Asia," he said. According to him, toy major Mattel had already initiated talks with Funskool, while other players were seriously contemplating alliances.

For nearly three years, Hasbro has been sourcing products from India and



Games firms play: Funskool India CEO John Baby (left), seen with chairman Arun Mammen on Wednesday. •BIJOY GHOSH

SpinMaster recently started importing products from Funskool Goa factory, he said.

Sensing the demand from the overseas market, Funskool established a new

plant in Ranipet to meet the needs of SpinMaster, exclusively. Trial production at the unit, which is about 110 km from Chennai, began on Wednesday. The first consignment will be shipped by

June. "The world toy market is estimated at \$90 billion and India accounts for 0.5% at \$450 million. The global market is getting bigger and is expected to grow at 10% CAGR. India has huge potential," said John Baby, CEO, Funskool India.

In the last 10 years, the Indian toy industry had grown 8-10%, whereas Funskool had grown 10-15%, he said. "The Goa unit is running at 80% capacity; Ranipet will also touch 80% in two years. After that, we will put up one more unit in the same premises here," Mr. Baby said.

Funskool said it would end this fiscal with ₹225 crore in revenue compared with ₹235 crore last year. The dip has been attributed to factors such as customs duty hike, demonetisation, GST and discontinuation of a pact with Lego.

Call creditors' meet on fund disbursement, Essar Steel RP told

Order comes on a petition by Standard Chartered Bank

**PRESS TRUST OF INDIA
NEW DELHI**

The NCLAT on Wednesday asked the resolution professional (RP) of Essar Steel to call a fresh meeting of Committee of Creditors (CoC) to discuss the distribution of ₹42,000 crore coming from ArcelorMittal's resolution plan.

A two-member bench, headed by Justice S.J. Mukhopadhyaya, has asked the RP to reconsider the distribution of the funds between financial and operational creditors at the meeting.

"The resolution professional (RP) may call for the meeting of the CoC for reconsideration of distribution of funds," the bench said.

The NCLAT was hearing an urgent application moved



by Standard Chartered Bank, an operational creditor of the company.

The appellate tribunal has directed to list the matter on March 27 for next hearing.

'Given only 1.7% of dues' Standard Chartered moved the National company Law Appellate Tribunal (NCLAT) against the plan as its counsel contended that the bank

was being given only 1.7% of its total dues from Essar Steel while other financial creditors, forming part of the CoC, were getting over 85% of their dues.

ArcelorMittal's proposal provides financial creditors ₹41,987 crore out of their total dues of ₹49,395 crore.

Operational creditors, under the plan, would get just ₹214 crore against the outstanding of ₹4,976 crore. If the ArcelorMittal's plan is implemented, Standard Chartered would only get ₹60 crore against its claims of ₹3,187 crore from Essar Steel.

This was among the first 12 cases selected by the Reserve Bank of India to be resolved under the Insolvency and Bankruptcy Code. (IBC).

ATMA urges Centre to revamp GST on tyres

Four slabs of tax confusing: MRF MD

**N. ANAND
CHENNAI**

Automotive Tyre Manufacturers' Association (ATMA) will yet again urge the Centre to streamline the structure of Goods and Services Tax (GST) on tyres and tubes.

"There are four slabs of GST on tyres and tubes, tubes packed with tyres, and tubes when sold separately," said Arun Mammen, vice-chairman and managing director, MRF Ltd.

Under the GST regime, tyres are taxed at 28%, tubes at 18% and flaps at 18%. "These are confusing and we are trying to sort it out through ATMA," he said.

On the recent labour strike at MRF's Tiruvottiyur unit in protest against installation of surveillance cameras and demanding wage settlement, Mr. Mammen said: "We are back in production. The issue of wages has been settled. Cameras are there. It has been installed for the purpose of quality, safety and bringing in discipline."

Camera surveillance

"Cameras are there in railway stations and airports. There is no reason why cameras cannot be installed in factories. That has been sorted out and there is no issue with workers," he said.

Online import licence for select goods

**PRESS TRUST OF INDIA
NEW DELHI**

The Commerce Ministry's foreign trade arm DGFT has come up with a new online facility for obtaining import licence for restricted category goods, a move aimed at promoting paperless work and ease of doing business.

Currently, importers need to obtain licence for certain goods such as gold dore, some pulses, plastic waste, and bio-fuels.

"Online application format for obtaining import licence for restricted items is notified," the Directorate General of Foreign Trade (DGFT) said in a public notice.

Vodafone Idea board clears rights issue of ₹25,000-cr. at 61% discount

Ratio fixed at 87 equity shares for every 38 held

**PRESS TRUST OF INDIA
NEW DELHI**

The board of directors of India's largest telecom operator Vodafone Idea on Wednesday cleared the planned ₹25,000-crore rights issue at a price of ₹12.50 per equity share, a steep 61% discount to Tuesday's closing rate.

In a regulatory filing, the company said that the rights entitlement ratio had been fixed at 87 equity shares for every 38 equity shares held by eligible shareholders of the company on the record date, that is April 2, 2019.

The issue opening date had been fixed for April 10 while the closing date had



been set for April 24, 2019, the filing said.

The issue price of ₹12.50 per equity share (including a premium of ₹2.50 per equity share) is at a massive 61% discount to the previous closing of ₹32 per share.

Earlier this year, the

board of directors of Vodafone Idea had approved a ₹25,000-crore fund-raising plan by way of rights issue, to the existing eligible equity shareholders, following which the company received Cabinet nod for foreign direct investment (FDI) infusion in February.

Promoter-shareholders Vodafone Group and Aditya Birla Group have told the board that they intend to contribute up to ₹11,000 crore and up to ₹7,250 crore, respectively, as part of the rights issue, which would arm Vodafone Idea with the funds to take on competition from Reliance Jio.

REC board okays raising ₹90,000 crore

**PRESS TRUST OF INDIA
NEW DELHI**

REC Ltd. on Wednesday said its board has approved a proposal to raise ₹90,000 crore under different debt segments for the financial year 2019-20.

The board of directors of REC approved... market borrowing programme under different debt segments for the financial year 2019-20, the company said in a regulatory filing.

The funds under the market borrowing programme would be raised from time to time during 2019-20, with the approval of competent authority as per powers delegated in this regard, by the board.