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Ghosh Gets Bail After Months in Detention
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Kohli Hits 40th Ton as Spinners Strangle Aussies
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US technology firms working in India face increased scrutiny ahead of polls
Honda bets on Civic to improve its brand image in India
A cryptocurrency framework written in a hurry won't yield the best results
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Inside story

Hiring and Retaining Talent a Big Challenge, Say Startups
Despite raising early-stage funding from some of India's top venture capitalists, domestic startup founders say hiring executives and retaining talent remain the most challenging issues for these young companies.
Disruption: Startups & Tech >> 6

Services Sector Picks Up Pace in Feb on New Business: Survey
India's services sector picked up pace in February on the back of new business, a private survey showed on Tuesday. Service providers continued to hire new workers at a strong pace. The Nikkei/IHS Markit Services Purchasing Managers' Index rose to 52.5 in February from 52.2 in January.
Economy: Macro, Micro & More >> 13

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Builders of a better India
For a Q&A series with the EOY 2018 Winners see Pg. 13

Ease of Doing Business via Tax Reforms to Continue: Jaitley
Direct and indirect tax reforms will continue to facilitate and expedite the process of ease of doing business in India, finance minister Arun Jaitley said. The government is committed to facilitate trade and industry in the country so that the momentum of the growth continues to move up, Jaitley said while interacting with a delegation of the Federation of Indian Chambers of Commerce & Industry on Tuesday.
Economy: Macro, Micro & More >> 13

Market Tracker

	LAST	% CHANGE
Nifty	10,987.45	1.14
Sensex	36,442.54	1.05
BSE Midcap	14,794.3	2.01
BSE Smallcap	14,416.91	3.11
Re/US \$	70.49	-0.3
Gold Std*	33,250	0.6
Silver (₹/kg)	40,200	-0.5
Brent (\$)	65	0.39

*₹/10gm Compiled by ETIG Database

ET INSTA POLL

Regulators came up pathetically short in the IL&FS case. Agree?

90% YES, 6% NO, 4% CAN'T SAY

TODAY'S QUESTION: Does India have the political will to tackle air pollution on war footing?
www.economicstimes.com

FROM TRADE TO F-16s, NEW DELHI AND WASHINGTON GET REASONS TO SPAR

US Stops Duty Benefits for \$5.6B of Indian Exports

Tariff Offensive

LIMITED IMPACT
Total exports to US Approx **\$50 b**
Indian exports under GSP Approx **\$5.6 b**
Preferential tariffs under GSP range from **1% to 6%**
Total benefit seen at **\$190 m**

COUNTER RESPONSE
India disappointed with the measures, says trade issues were being discussed
Country was buying planes and fuel to address imbalance in trade
India may impose proposed retaliatory tariffs on 29 US imports from April 1
It could go slow on the package of measures in the works to resolve trade issues

India says GSP withdrawal will not hit trade hard, may impose retaliatory duties on 29 US imports

Our Bureau

New Delhi: The United States announced the withdrawal of special duty benefits available to India, escalating differences over trade between the two countries. India said this would make little difference. Meanwhile, the US is said to be nearing an agreement with China on their ongoing trade dispute.

India said withdrawal of the Generalized System of Preferences (GSP) will not have a major impact on bilateral trade, citing the low level of exports under the concessional regime.

In another development, sources said India may allow proposed retaliatory duties on 29 US imports that have been deferred six times to kick in from April 1 to express its displeasure, given that the two countries were in talks to resolve trade issues. These levies had been proposed in response to the US raising duties on steel and aluminium imports from India and other nations last year.

The US announcement came hours after President Donald Trump said India was a "tariff king" and imposed "tremendously high" tariffs on American products such as Harley-Davidson motorcycles. The US cited India's "failure to provide the US with assurances that it will provide equitable and reasonable access to its markets in numerous sectors," while imposing higher duties.

India, which dismissed the "tariff king" barb, exported goods worth \$5.6 billion under GSP to the US in FY18 as part of total exports of \$49 billion to that country.

Withdrawal to Kick in After 60 Days >> 20

2,799 URLs BLOCKED BY GOVT IN 2018

'Website Not Found' Pop-ups Leave Net Activists Fuming

Site of Strife
11,422 Number of blocked URLs, according to MeitY's reply to RTI query
Internet activists say govt not being transparent on why it blocks websites

They say there's no way to determine if a website has been blocked by govt or a service provider
Govt did not cite reason for blocking sites in its RTI reply
MeitY says it follows due procedure while blocking websites

Free Net advocates say govt has withheld info on list of blocked sites; MeitY says no site blocked arbitrarily

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Bengaluru: Internet activists are concerned over what they term as rising instances of websites being blocked by internet service providers (ISPs) and the government without citing any reason for doing so.

Last year, the Ministry of Electronics and Information Technology (MeitY) blocked 2,799 URLs for allegedly hosting malicious content, marking a sharp increase from 2017, when 1,385 URLs were blocked.

These numbers were disclosed by minister of state for electronics and IT SS Ahluwalia in a written reply to a question in the Lok Sabha in February.

In 2016, the number of URLs that were blocked stood at 633.

The government has also withheld information on the list of blocked websites despite several queries under the right to information (RTI) Act, internet activists told ET.

The Centre for Internet and Society (CIS), a Bengaluru-based advocacy group, is compiling a list of URLs and websites that are being blocked, and has identified over 3,200 so far. Senior policy officer at CIS Gurbhadr Grover said that among the blocked URLs are proxy servers and websites of NGOs that are deemed to have criticised government policy.

As per Grover, some of the websites and URLs reported to have been blocked at some point include the sites of human rights groups such as arabhr.org, www.protectioninternational.org and www.drugsense.org. Also blocked were a site on feminism (feminist.org), the website of an environmental organisation (wedo.org) and a blog by activist from Sharmila (romsharmilachan.wordpress.com).

"Many blockades, when brought to the notice of courts, were revoked, but the URLs still remain inaccessible. The bigger problem is that of getting the list of blocked URLs," Grover told ET.

'Curbing Right to Receive Info' >> 20

US Justified F-16 Sale to Pakistan in 2008 as Deterrence Against India

US embassy in Pak pushed for diverting anti-terror aid; India wants Trump admin to verify and revisit terms

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The package included 500 AIM-120-C5 Advanced Medium Range Air-to-Air Missiles (AMRAAMs), remnants of one of which was recovered and exhibited as evidence by the Indian Air Force.

"An enhanced F-16 program also has deterrence value by giving Pakistan time and space to employ a conventional, rather than nuclear, reaction in the event of a future conflict with India," wrote Patterson in her 20-paragraph communique, as disclosed by Wikileaks, to Washington on April 24, 2008, giving reasons to justify the deal using US taxpayer money.

Those familiar with the ongoing conversation with the US told ET that India has already asked the Donald Trump administration to ascertain if the use of F-16s and AMRAAMs violated end-user conditions.

Congressional Nod to Divert Funds >> 12

New Delhi: Pakistan's use of F-16s against India on February 27 has raised tough questions for Washington, which had justified the sale on grounds of not just combatting terror but also as providing "deterrence value" to Pakistan in case of a future conflict with India.

This is exactly how the then US Ambassador to Pakistan Anne Patterson had framed her embassy's pitch for an exception to allow for diversion of American counter-terrorism financial assistance to Pakistan for purchasing F-16s and related enhancements.

IAF stated Tuesday that multiple launches of AMRAAMs were observed on February 27

Washington moved for Congressional nod to divert funds within five months
AMRAAMs were part of F-16 package
India assured by Bush admin that US had ensured stringent monitoring system on F-16 use
This included informing US on deployment of assets in an exercise or in an operation in a third country

Blackstone to Forge ₹4.2kcr Co from Sona BLW, Comstar

PE firm to own 62% of merged auto parts platform; Sunjay Kapur to be chairman

Nabeel A Khan & Arijit Barman

Joining Forces
Blackstone acquired Comstar in 2018 for ₹1,000 crore
Sona BLW Precision has two plants in India, 3 in Germany and 1 in Hungary
Market share: 85%Clients: Audi, Daimler, Maruti Suzuki, Scania, Ford, Tata Motors, M&M and Tata
COMBINED FOOTPRINT: INDIA, EUROPE, CHINA, US

New Delhi | Mumbai: Blackstone, the world's largest private equity fund, is set to merge Sunjay Kapur-led Sona BLW Precision Forging with Comstar Automotive Technologies to create a Rs 4,200-crore auto components platform, said three people aware of ongoing discussions.

Blackstone will own 62% of the merged company. Kapur will own the rest and will be the chairman. A formal announcement is due by this month end. The professional management of the two firms will stay.

The merger will also pave the exit for JM Financial, which owns 32% in the Sona Group company, which has been valued at Rs 2,100 crore (\$300 million).

Last year, Blackstone acquired Comstar—a maker of starter motors, starter motor kits and alternators for automotive applications—for Rs 1,000 crore. The Chennai-based company was founded in 1999 as a local subsidiary of Visteon Corp, a unit of Ford Motor Co.

Blackstone and Kapur declined to comment.

'Need for Consolidation' >> 12

Fighter Deal

In 2008, US Ambassador to Pak said F-16 better deterrent among nuclear neighbours

Washington moved for Congressional nod to divert funds within five months
AMRAAMs were part of F-16 package
India assured by Bush admin that US had ensured stringent monitoring system on F-16 use
This included informing US on deployment of assets in an exercise or in an operation in a third country

Pak 'Arrests' of Terrorists a Sham: India

India on Tuesday described as a sham Pakistan's decision to place Jaish chief Masood Azhar's brother and son along with 42 under-observation members of proscribed organisations under 'preventive detention'. New Delhi has demanded that they be booked under Pakistan's Anti-Terrorism Act, report Dipanjan Roy Chaudhury & Manu Pubby >> 2

Pay Hikes may be Better This Year: Survey

The latest Aon Salary Increase Survey has predicted an average salary increment of 9.7% for 2019 compared with 9.5% last year. The five hot skills that will put performers at the top of the heap for salary increments are big data analytics, digital, cloud computing, AI and machine learning, and cybersecurity, the study said.
FULL REPORT >> 14

New Economy Spending Big On Ad Blockbuster

Amazon and Flipkart didn't stint on advertising in 2018, with a combined expenditure of ₹2,373 crore. That was more than what Procter & Gamble (P&G), Reckitt Benckiser and Godrej—among the country's top 10 advertisers—spent in total. Hindustan Unilever was still the number one though, raising its ad spend 11% to ₹3,300 crore, according to a report by Magna, IPG Mediabrands' market intelligence division, reports Ratna Bhushan.

Amazon stepped up advertising by 20% and Flipkart by 29%. P&G, Godrej and Reckitt Benckiser spent a total ₹2,053 crore.

The top 10 advertisers spent more than ₹10,000 crore all told. Of them, four were FMCG firms, while one each were from the auto, tech and telecom industries. Patanjali Ayurved and Maruti Suzuki dropped out of the top 10, while Google and Vivo Mobiles entered the list.

Rank in 2018	Company	Total Spend (₹ Cr)	Rank in 2017	Company	Total Spend (₹ Cr)
1	Hindustan Unilever	3,312	1	Hindustan Unilever	2,967
2	Amazon	1,389	2	Amazon	1,159
3	Flipkart	984	3	Flipkart	763
4	Honda Siel	847	4	Procter & Gamble	734
5	Procter & Gamble	796	5	Godrej	734
6	Godrej	674	6	Maruti Suzuki India	600
7	Google	673	7	Patanjali Ayurved	637
8	Reckitt Benckiser	583	8	Reliance Industries	551
9	Reliance Industries	558	9	Honda Siel	747
10	Vivo Mobile	539	10	Reckitt Benckiser	528
Total Spend		10,355	Total Spend		9,420

Illustration: ANIRBAN BORA

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L&T Financial Services

TRANCHE 1 ISSUE OPENS TODAY AND TRANCHE 1 ISSUE CLOSES ON MARCH 20, 2019*

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**The Tranche 1 Issue shall remain open for subscription on Working Days from 10 a.m. to 5 p.m. (Indian Standard Time) during the period indicated above, except that the Tranche 1 Issue may close on such information and not responsible for any errors or omissions or for any results obtained from the use of such information. Most entities listed on the website of L&T Finance Limited are not regulated entities. The website of L&T Finance Limited is not intended to be used as a source of information for investment decisions. The website of L&T Finance Limited is not intended to be used as a source of information for investment decisions. The website of L&T Finance Limited is not intended to be used as a source of information for investment decisions.