

INDIA & THE WORLD
SRI LANKA BLASTS

Short term impact on tourist arrivals from India; travel enquiries decline

With 4 lakh visitors in 2018, India top source for Sri Lanka tourism

PRANAV MUKUL
NEW DELHI, APRIL 2

FOLLOWING A series of blasts that rocked Sri Lanka on Sunday, travel operators in India have seen a significant hit to tourist enquiries for the island country — for which India is the top source market of international tourism. According to online travel portal ixigo, 41 per cent of bookings made for departures between April 21 and April 27 from various points in India to Sri Lanka have been cancelled. However, travel experts expect the impact to be only short term and expect normalcy once the situation stabilises. Notably, as per latest available data for 2017, the grounded Jet Airways was the fifth-largest airline flying to Sri Lanka. In what was the country's worst terror attack, a series of devastating blasts tore through three churches and luxury hotels in Sri Lanka on Easter Sunday, killing 290 people and wounding 500 others, including eight Indians. India is the top source market of international tourists for Sri Lanka.

INDIAN TOURIST ARRIVALS IN SRI LANKA:

2018	4,24,887
2017	3,84,628
2016	3,56,729
2015	3,16,247
2014	2,42,734
2013	2,08,795
2012	1,76,340
2011	1,71,374
2010	1,26,882

According to data put out by the Sri Lanka Tourism Development Board, Indian tourist arrivals in Sri Lanka during 2018 stood at 4.25 lakh. "About four lakh Indians visit Sri Lanka every year and this number has been growing over the past few years. These blasts will have a negative impact in the short term, but things should return to normal if things are peaceful going forward. As of now, we have not seen any immediate cancellations of people who have made bookings, but there has been a slowdown in the new enquiries and bookings that were in process. Airlines continue to operate as normal," said Sharat Dhall, COO (B2C), Yatra.com. After India, China, the United Kingdom and Germany are the biggest source markets for interna-

tional tourist arrivals in Sri Lanka. In 2017, Jet Airways was the fifth biggest international carrier to Sri Lanka after Sri Lankan Airlines, Emirates, Qatar Airways and Fly Dubai. During the year, it carried over 70,000 passengers from India. Other Indian airlines flying to Sri Lanka include Air India, IndiGo and SpiceJet. Following cancellation of Jet Airways' flights, its slots at Colombo airport have been reallocated and these carriers have announced new and additional flights from Delhi and Mumbai to Colombo. "Sri Lanka has been a popular choice amongst Indian travellers seeking a quick International getaway, especially during long weekends. Our data shows Colombo was a top pick for travellers from cities like Bangalore, this Easter long weekend. Following the attacks, we have seen a 17 per cent dip in enquiring customers for the country. We anticipate current unrest in the region will lead to a temporary slowdown in tourist inflow to Sri Lanka," said Aloke Bajpai, CEO and co-founder, ixigo. According to ixigo, Chennai is the top Indian city for tourism to Sri Lanka with 32 per cent of the bookings, followed by Bengaluru at 16 per cent, New Delhi at 13 per cent, Madurai at 9 per cent, Mumbai at 7 per cent and Hyderabad at 5 per cent.

BRENT FUTURES RISE TO \$74.25/BL AS US ENDS IRAN WAIVERS

Oil price rise pulls down Re, Sensex tanks 495 pts

ENSECONOMIC BUREAU
MUMBAI, APRIL 22

INDIA'S FINANCIAL markets on Monday came under intense pressure following a spike in crude oil prices after the United States announced it will end waivers on Iranian oil imports in May. While the rupee plunged 32 paise to close at a two-week low of 69.67 against the US dollar, the Sensex sank 495 points to end at 38,645 in heavy sell-off in energy and financial stocks. Brent crude futures rose \$2.28, or 3.2 per cent, to \$74.25 a barrel by 1704 GMT. The session high of \$74.52 a barrel for the international benchmark was the highest since November 1, raising worries in emerging markets like India. US West Texas Intermediate crude futures climbed \$1.85, or 2.9 per cent, to \$65.85 a barrel. The contract hit \$65.92 a barrel, the highest since October 31.

EXPLAINED Crude to rise in near term, could be inflationary

WITH CRUDE oil prices being one of the most sensitive factors for Indian Rupee and stock market movement, a sharp rise in Brent crude prices on Monday saw the rupee lose around 32 paise against the dollar (0.5 per cent) and the Sensex and Nifty lose 1.3 and 1.4 per cent, respectively. With the US announcing to end waiver for countries importing crude from Iran beginning May 2, there is a strong likelihood of a rise in near-term oil prices. Crude oil prices have already been witnessing a rise on account of supply cuts by OPEC and US sanctions on Venezuela. Rise in oil prices in the near term may not only hurt the rupee and stock markets but may also be inflationary as it impacts fuel prices.

trade. During intra-day trade, the domestic currency managed to recover some lost ground after touching 69.88, the lowest in over a month. A fall in domestic equity markets also weighed on the rupee. A weak US dollar against major global currencies capped losses of the domestic currency. If the oil price rises further, the rupee is likely to take further beating as the current account deficit will widen, import bill will rise and inflation will flare up, analysts said. "The rupee has been under pressure due to a sharp rise in crude oil prices in the international market. Profit booking in the domestic equity also pressurised the rupee," said Rushabh Maru, research analyst — currency and commodity, Anand Rathi Shares and Stock Brokers. VK Sharma, head-PCG & capital markets strategy, HDFC Securities, said, "Oil extended gains today after the longest weekly winning streak in almost four years as the US government was said to announce that it won't renew waivers, allowing buyers to import Iranian crude. India is one of the countries that enjoy waivers," he said. On Thursday, the rupee had gained 25 paise to 69.35 against the US dollar after three sessions of losses. Meanwhile, the 30-share BSE index settled 495.10 points, or 1.26 per cent, lower at 38,645.18, while the broader NSE Nifty tumbled 158.35 points, or 1.35 per cent, to close at 11,594.45. Reliance Industries fell 2.76 per cent. In percentage terms, major laggards were Yes Bank, Indusind Bank, RIL, ICICI Bank, HDFC and Axis Bank which fell as much as 6.62 per cent. Sectorally, the BSE energy index slumped 2.72 per cent, tracking developments around US sanctions on Iranian oil imports.

State Bank issues Electoral Bonds worth ₹2,772 cr

GEORGE MATHEW
MUMBAI, APRIL 22

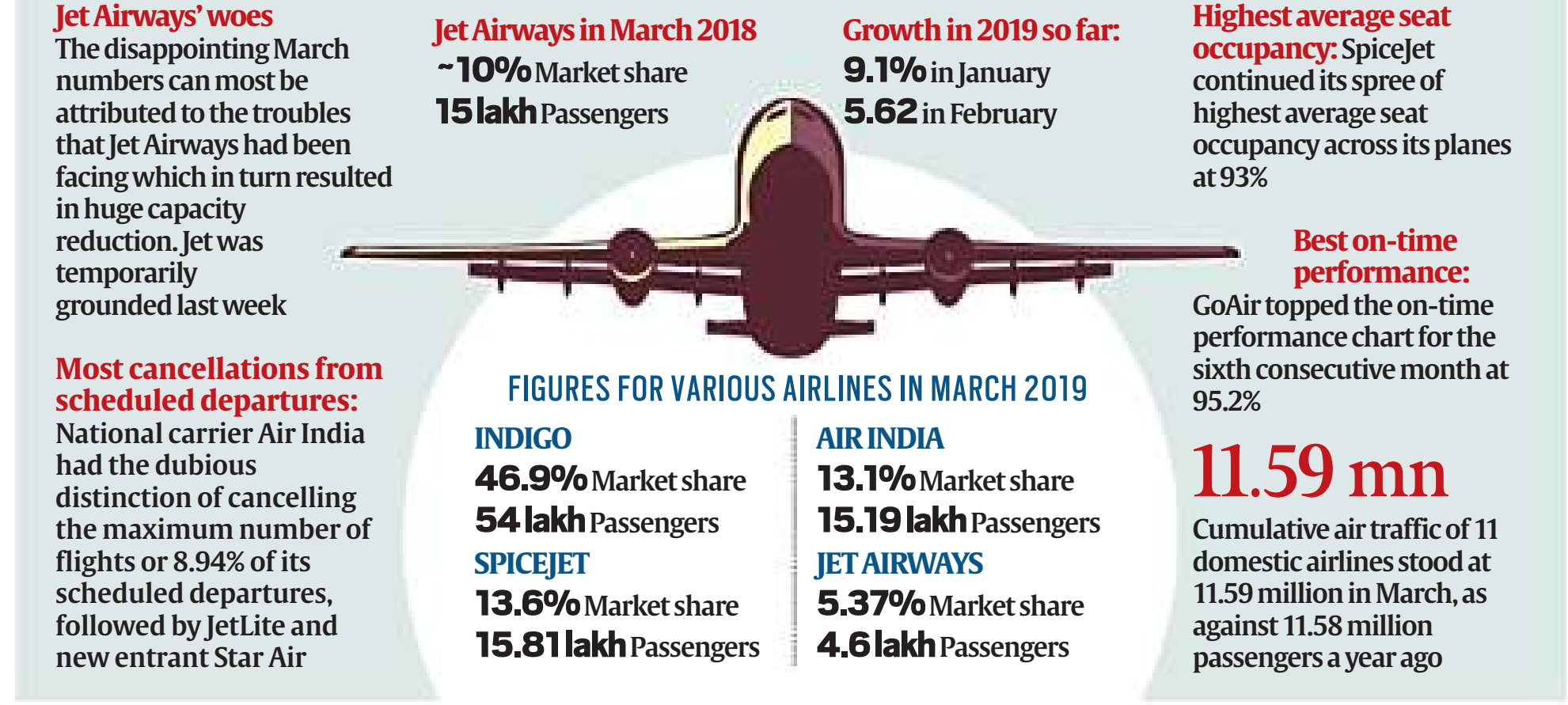
STATE BANK of India — the only bank authorised to issue and encash Electoral Bonds by the government — has issued bonds worth Rs 2,772.78 crore for funding political parties, since the scheme was launched on March 1 last year. Almost half of the amount came in March this year when SBI issued Electoral Bonds worth Rs 1,365.69 during the sale window of March 1-15 this year, the bank said in its reply to the Right to Information application filed by *The Indian Express*.

YOUR RIGHT TO KNOW AN EXPRESS RTI APPLICATION

bonds from 10 days to five days in April and May. During the sales window of January 1-10 this year, 937 bonds worth Rs 350.36 crore issued. During the period October 1-10, 2018, SBI sold 733 bonds valued at Rs 401.73 crore ahead of the state elections in Madhya Pradesh, Rajasthan, Chhattisgarh and Telangana. The Mumbai main branch of SBI issued Electoral Bonds worth Rs 471.30 crore, followed by Rs 179.92 crore in Delhi and Rs 176.92 crore in Kolkata during the period of March 1-15 this year. Electoral Bonds are valid for 15 days from the date of issue. This means a bond issued on March 1, 2019, will be valid up to March 15, 2019. The bonds can be redeemed only by an eligible political party by depositing the same in its designated bank account maintained with an authorised bank. The bonds are issued in the denomination of Rs 1,000, Rs 10,000, Rs 1 lakh, Rs 10 lakh and Rs 1 crore. The extant instructions issued by the Reserve Bank of India regarding 'know your customer' (KYC) norms of a bank's customer will apply for all applicants of the electoral bonds. "However, SBI as authorised bank may call for any additional KYC documents, if it deems necessary," SBI has said. Only political parties registered under Section 29A of the Representation of the People Act, 1951 (43 of 1951) and secured not less than one per cent of the votes polled in the last General Election to the House of the People or the Legislative Assembly are eligible to open current account for redemption of Electoral Bonds.

Domestic air passenger traffic grows 14.25% in FY19

Domestic air passenger volume grew 14.25% to 171.25 million in fiscal 2019 over the previous year, even as March posted the lowest growth rate in many years with a paltry 0.14%, according to data from the DGCA



ELECTORAL BOND ISSUES

SALE PERIOD	BONDS	AMOUNT
March 1-10	520	222.00
April 1-10	256	114.90
May 1-10	204	101.40
July 2-11	82	32.50
October 1-10	733	401.73
November 1-10	339	184.20
2018		
January 1-10	937	350.36
March 1-15	2,742	1,365.69
2019		

* Amount in Rs crore

Ghosh hit with fresh charge, files for bail

REUTERS
TOKYO, APRIL 22

JAPANESE PROSECUTORS indicted Carlos Ghosn on Monday on another charge of aggravated breach of trust, a Tokyo court said, the fourth charge against the former Nissan Motor Co Ltd chairman, which his lawyers met immediately with a bail request. The charge came on the day Ghosn's latest detention period was set to expire. Ghosn had been out on bail when authorities arrested him for a fourth time on April 4 on suspicion he enriched himself at a cost of \$5 million to the automaker. "We are confident that we have the evidence to successfully prosecute all four cases," an official from the prosecutor's office said at a briefing after the indictment was announced. Ghosn has denied all four of the charges, which include understating his income, and said he is the victim of a boardroom coup. He has accused former colleagues of "backstabbing", describing them as self-interest rivals bent on derailing a closer alliance between Nissan and France's Renault SA.

SBI to recruit 8,904 junior staff; BoB, IDBI Bank too on a lookout

ENSECONOMIC BUREAU
MUMBAI, APRIL 22

STATE BANK of India (SBI) is set to hire nearly 9,000 junior associates for its customer support and sales function as part of its clerical cadre over the course of the next few months. In a public notice, the bank said it intends to fill 8,904 vacancies, including 251 backlog vacancies for Scheduled Caste (SC), Scheduled Tribe (ST) and Other Backward Class (OBC) candidates. Much of the hiring happening at public-sector banks now is on a contract basis for specialised roles. Bank of Baroda (BoB) currently has 1,047 openings for such roles. Earlier this month, IDBI Bank had called for applications for nearly 950 positions, many of them in specialised roles, after the bank was taken over by Life Insurance Corporation (LIC) of India. The recruitment by SBI will be done for deployment across 17 circles of the bank, covering all states and union territories as well as Delhi NCR. "Candidates can apply for vacancies in one state only," SBI's central recruitment and promotion department said in the

ROBUST HIRING PLANS

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No Maharatna status for HPCL without ONGC consent: DPE to Petroleum Ministry

AMITAV RANJAN
NEW DELHI, APRIL 22

CITING PROCEDURES and antecedents, the Department of Public Enterprises (DPE) has thrown a spanner at Petroleum Minister Dharmendra Pradhan's push to grant more autonomy to refining and marketing company Hindustan Petroleum (HPCL). Through a letter dated February 12, the DPE has insisted that the Ministry of Petroleum & Natural Gas (MoPNG) should first obtain consent of HPCL's holding company Oil and Natural Gas Corp (ONGC) before resubmitting a revised proposal on giving Maharatna status to HPCL. "The views/approval of ONGC, holding company of HPCL, on the proposal for grant of Maharatna status to HPCL is not available in the proposal," said the DPE letter. The Ministry, after obtaining Pradhan's approval, had routed HPCL's request for the status to the DPE on January 22 without consulting ONGC — which last year bought the government's 51.11 per cent share in HPCL for Rs 36,915 crore. The DPE has also asked the Ministry to give reasons for providing the exalted

DPE LETTER INSISTS ON CONSENT FROM ONGC

status to HPCL considering that ONGC was already a Maharatna company. "There is no previous instance of grant of Maharatna status to a subsidiary Central public sector enterprise. The Ministry is requested to furnish the reasons for proposing grant of Maharatna status to HPCL, now a subsidiary of ONGC which is itself a Maharatna company," the letter said. Moreover, the DPE advised that the revised proposal be based on HPCL's performance for the fiscal 2018-19 rather than on the basis of fiscal 2017-18. "Since more than 10 months of the current financial year 2018-19 are already over, it would be appropriate that the performance of HPCL for 2018-19 is taken into consideration while processing this proposal,"

of Maharatna to HPCL can be completed expeditiously," he added. ONGC and HPCL have been in a slugfest since the share acquisition, with the latter refusing to acknowledge ONGC as its promoter. HPCL continues to list 'President of India' as its promoter with 'zero' shareholding. ONGC is listed as 'public shareholder' owning '51.11 per cent' share. HPCL has repeatedly blocked ONGC's attempts to assert its authority: ONGC chief cannot chair the HPCL board, as he does in other subsidiaries, or intervene in HPCL matters. The cold relations between the two has also pushed the HPCL-MRPL merger plan to the backburner. A Maharatna tag will potentially curtail ONGC's powers to take business decisions for HPCL as the status bestows greater freedom from government control as well to incur capital expenditure on projects and purchases without any monetary ceiling. It also provides significant autonomy to pump equity in joint ventures and float subsidiaries, raise debt, undertake mergers and acquisitions without seeking ONGC's approval which has only one member on HPCL's board of directors.