

## IN BRIEF

**Bank of India to sell 25% stake in life insurance JV**

**NEW DELHI** Bank of India said it would sell 25.05% stake in its insurance JV Star Union Dai-ichi Life Insurance Co. for at least ₹1,106 crore. The bank has floated a request for proposal for sale of over 6.48 crore equity shares, or 25.05% stake in its joint venture with Union Bank of India and Japan's Dai-ichi Life Holdings Inc. The floor price for the stake sale has been fixed at ₹170.50 a share, the lender said in a filing. **PTI**

**I-T dept. notifies return forms for AY19-20**

**NEW DELHI** The Income Tax department has notified I-T return forms for individuals and companies for the assessment year (AY) 2019-20. While there has been no change in ITR-1, which is to be filled by the salaried class, some sections in ITR 2, 3, 5, 6 and 7 have been rationalised. Individuals, firms and companies have to file returns for the income earned in 2018-19 in the current fiscal. **PTI**

**Panel okays proposed L&T-Mindtree deal**

**NEW DELHI** The Competition Commission of India (CCI) on Friday said it has approved diversified group Larsen & Toubro's (L&T) proposed acquisition of up to 66.15% stake in IT firm Mindtree Ltd. L&T has made an unsolicited offer to acquire a majority stake in Mindtree. In a tweet, the CCI said, "it approves acquisition of up to 66.15% of the total equity shareholding of Mindtree Ltd, on a fully diluted basis, by Larsen and Toubro Ltd." **PTI**

# 'MF assets growth slowest in seven years'

Debt funds saw huge outflows in FY19; total AUM rose 6%, touched ₹24.51 lakh crore: CRISIL report

**SPECIAL CORRESPONDENT  
MUMBAI**

The recently-ended financial year 2018-19 saw mutual fund assets growing at the slowest pace in seven years as debt funds, which constitute a major portion of the overall assets under management (AUM) of the industry, saw huge outflows.

According to a latest analysis by Crisil, the total AUM rose 6% to touch ₹24.51 lakh crore in the fiscal, even as debt funds saw total outflows of ₹1.38 lakh crore between April 2018 and February 2019.

Debt funds, which account for nearly 45% of the total assets, managed to recoup some of the losses of the previous quarter, and were up 2.3% or ₹24,500 crore, to ₹11.08 lakh crore in the March quarter.



**Testing times:** Debt funds saw an outflow of ₹1.38 lakh crore between April 2018 and February 2019. **GETTY IMAGES/ISTOCK**

"Recovery can be attributed to mark-to-market (MTM) gains amid a pull back in yields and as sentiments soothed after the recent credit and liquidity crisis in the debt market," the Crisil report said. In percentage terms, assets of money market, banking and PSU, and

ultra-short duration funds, grew in double digits – around 20%, 19% and 15%, respectively. In absolute terms, liquid funds topped the chart with a gain of ₹14,500 crore in the AUM.

Assets of low duration, medium duration, credit risk, short duration and floa-

ter funds fell the most in absolute terms among the debt categories. Meanwhile, the average AUM of the mutual fund industry rose 3.6% in the fourth quarter of the fiscal to ₹24.51 lakh crore as against a fall of 2.8% in the preceding quarter.

Supported by investor interest in equity mutual funds in the form of lump sum and systematic investment plans (SIP), the category's average assets rose nearly 6%, or by ₹36,000 crore to ₹6.58 lakh crore in the latest quarter.

As per data available with the Association of Mutual Funds in India (AMFI), the category saw net inflows of ₹9,700 crore between January 2019 and February 2019.

Within the category, average AUM of multi-cap, large cap, equity-linked savings scheme (ELSS) and mid-cap

funds witnessed the biggest rise in absolute terms. On a consolidated basis, their AUM – 63% of the total equity average AUM – rose by ₹23,400 crore during the quarter.

In terms of assets, most of the fund houses registered a rise in their AUM, though the industry assets continued to be highly concentrated among the top mutual funds.

"The industry continued to be highly concentrated, with the share of the top five and top 10 fund houses being 58% and 83%, respectively, as of March 2019 – almost the same as in the previous quarter," said the report.

While HDFC Mutual Fund maintained its top position in terms of average AUM in the quarter, it was followed by ICICI Prudential Mutual Fund, and SBI Mutual Fund.



**Safe and secure:** Land worth ₹175 crore has been pledged with IL&FS Financial Services, says Sivasankaran. **REUTERS**

## Sivasankaran to settle dues to IL&FS arm

Siva Shelters owes more than ₹50 cr.

**K.T. JAGANNATHAN  
CHENNAI**

Siva Shelters and Constructions Private Ltd. will settle its dues to IL&FS Financial Services, according to C. Sivasankaran, who is the mentor of Siva Group of companies.

IL&FS Financial Services had disbursed a total of ₹50 crore in two tranches to Siva Shelters in March last year.

The lender had exercised the put option and demanded the repayment of the loan. According to IL&FS Financial Services, Siva Shelters had a total outstanding of ₹58.65 crore (put option money) as on March 1, 2019.

**Serves notice**

The lender had since served notice on the guarantor as well on its decision to exercise the put option.

Siva Shelters, promoted by Hi-Tech Housing Projects Private Ltd., had been sanctioned the loan to develop affordable housing projects in Hyderabad district and Chennai.

The loan facility has a tenor of 60 months with a put/call option. The interest rate is 14% linked to IFIN benchmark rate. A land measuring 17.48 acre is provided as security for the

loan. Besides, the lender had been given a corporate guarantee by Hitech Housing.

The lender has an exclusive charge over the cash flows of Siva Shelters.

Mr. Sivasankaran asserted that Siva Shelters had paid ₹5.22 crore towards interest on the loan till December 31, 2018.

"IL&FS Financial Services has requested the company to return the money. Siva Shelters is in the process of returning the money by selling the land. The land is worth ₹175 crore, and is already pledged with IL&FS Financial Services," he added.

Mr. Sivasankaran asserted that "he is neither a shareholder nor a director of any company in India or in any other country. I am also not a guarantor of any loan in the country."

He had given personal guarantees only for two companies – BMIC in Bahrain and the Tata Group.

"In the case of BMIC, it is already settled. In Tata Group case, there is a pending personal guarantee and the matter is under arbitration. This will be settled amicably after arbitration," he added.

## Panel set up to oversee Essar Steel's operations

Lenders' representatives on committee

**PIYUSH PANDEY  
MUMBAI**

Essar Steel's committee of creditors (CoC) has set up a monitoring committee to oversee the operations of the steel firm and ensure smooth transition to ArcelorMittal, the successful resolution applicant.

The monitoring committee is headed by resolution professional Satish Gupta and has four members from the lenders and three from ArcelorMittal, a source in the know of the development told *The Hindu*.

The lenders – SBI, IDBI Bank, ICICI and Edelweiss Asset Reconstruction Company – have their representatives as members of the



monitoring committee.

The development comes after the National Company Law Appellate Tribunal (NCLAT) asked the committee of creditors to set up a monitoring committee to oversee the operations of the steel firm and smooth transition to ArcelorMittal.

## Britannia eyes ₹500 crore from 3 new snack products

Plans to raise share of non-biscuit segments in turnover

**INDRANI DUTTA  
KOLKATA**

Britannia Industries Ltd. (BIL) is aiming to generate ₹500-crore turnover from three new non-biscuit snack products it launched recently, Jayant Kapre, Business Head, Adjacencies and New Business, said.

Talking to *The Hindu* after the launch of Treat Croissant, a centre-filled snack made under joint venture with Greek company Chipita, he said, "The new products are cream-wafers, salted snacks and croissants. We are looking at a turnover of ₹500 crore [from nil now] in three years," he said.

The company is trying to increase the share of non-biscuit segments in its turnover. While biscuits account for about 70% of BIL's turnover, non-biscuit products such as cakes, rusk, bread and dairy have a share of about 23%.

**'Total foods company'**

"We have laid out a vision for becoming a total foods company and are planning to get into some targeted spaces," Mr. Kapre said.

BIL has put ₹100 crore on the ground for these facilities, according to Mr. Kapre. While salted snacks are made in BIL's unit in Benga-

luru, croissants are made in Ranjangaon in Maharashtra. Cream-wafer manufacturing has been outsourced.

The national roll-out of these three categories would be completed soon, the company said. BIL has launched baked multigrain chips in its renewed bid to penetrate the salted snacks market. It made an entry about eight years ago, but withdrew shortly thereafter. "We learnt some lessons there," Mr. Kapre said.

He indicated that BIL was evaluating other sub-segments through differentiated offerings, but was unwilling to divulge further details.