Mumbai: Honda Motorcycle and Scooter India (HMSI) said it has commenced deliveries of its latest made-in-India middle-weight bike CBR650R from Honda BigWing in Gurugram. BigWing is the premium bike business vertical of HMSI in India. PTI

INDIGO ACKNOWLEDGES RIFT BETWEEN THE TWO PROMOTERS

No desire to control the company; stand by shareholder pact: Gangwal

PRANAV MUKUL NEW DELHI, MAY 18

ACKNOWLEDGING A rift be-

tween the two promoters of Interglobe Aviation — parent company of India's largest airline IndiGo — the company's CEO Ronojoy Dutta issued a statement Saturday on behalf of one of the two promoters, Rakesh Gangwal, saying that there was no interest or desire on part his group to take control of the company.

"I am authorised by Mr Rakesh Gangwal to make the following statement on his behalf - 'I am categorically and clearly stating that there is no interest or desire whatsoever on the part of the RG (Rakesh Gangwal) Group to take control of the company. Also, to put to rest the messaging on the fact that the RG Group is attempting to renegotiate the Shareholders Agreement, I am placing on record that the RG

FIRM CEO RONOJOY DUTTA ISSUES STATEMENT

■ IndiGo CEO Ronojoy Dutta issued a statement on Saturday in which he said, "In any strong and wellmanaged company there will always be differences. And, ves, there may be differences currently on certain matters but the

company has a great track

record of resolving issues and coming out ahead."

On the matter of management appointments at IndiGo, Dutta pointed out that "a little bit of turbulence during... transition phases is neither unusual nor unwelcome".

Group stands by the current SHA Rahul Bhatia and Rakesh Gangwal which, in any case, expires this —the two promoters of Interglobe October'. I don't think Mr Gangwal Aviation — is set to expire in could have been more clear and October this year, and an ongoing explicit on his intentions and I renegotiation of the same is learnt thank him for authorising me to to be at the heart of the rift bemake this statement on his between the two. half," Ronojoy Dutta, the airline's The dispute is learnt to be pri-CEO noted in a press statement. marily over the disproportionate distribution of board and manage-Friday, The Indian Express reported that the shareholders agreement ment appointment rights bebetween entities controlled by tween the two promoters.

As per the shareholding pattern declared by Interglobe Aviation, as of March 31, Bhatia, his family and his holding company Interglobe Enterprises held around 38 per cent stake, while Gangwal, his family and his entity held close to 37 per cent.

However, as per the agree-

ment, upon listing of the company, Interglobe Enterprises Group (Rahul Bhatia's entity) has the right to nominate three nonindependent directors, while the Rahul Gangwal Group has the right only to nominate one nonindependent director. Further, Bhatia's group is entitled to nominate the chairman, the managing director, the chief executive officer and the president of the company. "We all know, that in any strong and well-managed company there will always be differences. And, yes, there may be differences currently on certain matters but the company has a great track record of resolving issues and coming out ahead. If the current differences were to not get resolved, you shall certainly hear about it; however, it serves no purpose speculating about it," Dutta wrote in the statement.

Further, on the matter of management appointments at IndiGo, Dutta pointed out that "a little bit of turbulence during...transition phases is neither unusual nor unwelcome". "It is true that IndiGo has gone through a number of changes in a continuum that stretches from Aditya Ghosh, to Greg Taylor to a team of highly skilled expatriates to me. I can state unequivocally that every one of these senior leaders contributed a great deal to IndiGo and we are truly grateful for their contributions. But all great companies go through periods of transition as they evolve from one phase of their growth to another and a little bit of turbulence during these transition phases is neither unusual nor unwelcome." Dutta said.

After US FDA, CDSCO issues device alert on 3 Medtronic pacemakers

PRABHA RAGHAVAN NEW DELHI, MAY 18

INDIA'S APEX drug regulator has issued an alert to healthcare providers, heart patients and medical device distributors on measures they have to take to prevent safety issues with three models of Medtronic's pacemakers.

The Central Drugs Standard Control Organisation (CDSCO) alert on Saturday comes over a week after the US Food and Drug Administration (US FDA) flagged five such models of Medtronic's pacemakers and cardiac resynchronisation therapy pacemakers (CRT-P) for issues related to their batteries. In one such case, the issue led to the death of a patient, according to the regulator.

However, no adverse events have been reported in India so far, according to the Indian arm of the US medical device giant. A pacemaker or CRT-P is an es-

sential device used by patients if their heartbeat is too slow or in the treatment of heart failure to help their heart beat normally. CDSCO's alert mentions three

of the five models flagged by US FDA that are used in India — Astra, Serena CRT-P and Solara CRT-P.

"We are asking them (Medtronic) to communicate this alert to all patients who got implanted with this device," a senior health ministry official told The Indian Express on condition of anonymity. As on date, around 1,550 of these three models have been sold in India, the official added. Like US FDA's alert, CDSCO has told healthcare providers to help patients determine whether

"Medtronic India has not vet received any communication about an alert from Central Drugs **Standard Control** Organisation,"

SPOKESPERSON, MEDTRONIC INDIA

replacement of the device is "appropriate" for their needs and to consider whether elective device replacement is warranted for any of their pacemaker-dependent

It has also reiterated US FDA's recommendation that healthcare providers "be aware" of sudden battery level drops during followup visits and remote transmissions. It has further asked patients to seek "immediate medical care" in the event they feel lightheaded or dizzy or if they experience chest pain or severe shortness of breath.

"Medtronic India has not yet received any communication about an alert from Central Drugs Standard Control Organisation," a spokesperson for the company told The Indian Express.

"We are in proactive discussion with CDSCO on this matter," the spokesperson added.

According to a performance note on the five pacemakers and CRT-Ps, only three complaints were received out of over 2.60 lakh devices distributed worldwide since February 2017, the spokesperson stated.

"The projected rate of occurrence for this issue is 0.0028 per cent, with the most susceptible period being the first 12 months after a device is implanted...There have been no patient issues reported in India related to this performance note," the person said.

"In consultation with our Independent Physician Quality Panel, we do not recommend device replacement, and advise physicians to continue normal patient follow-up in accordance with standard practice and, where possible, to continue with remote monitoring. While the devices continue to perform well within reliability projections, Medtronic has implemented additional process and component enhancements that have been reviewed and approved by FDA, Medtronic's spokesperson added

On May 7, the US FDA released

an alert stating that it was aware of three medical device reports in which a Medtronic implantable pacemaker or CRT-P battery had "fully drained" because of a crack in the device's capacitor, without "any warning" to the patient or healthcare provider. A crack in the capacitor can create an electric short that drains the battery, which makes it ineffective for patients using them and dangerous for patients who heavily rely on

Medtronic had been unable to communicate with the devices due to the battery depletion. These incidents had occurred a year after the patients had received the pacemakers, despite the battery life of the pacemakers expected to be 7.5-15 years and the CRT-P, 6-10 years, according to the US FDA notification.

"One of the reported events resulted in the death of a pacemaker-dependent patient," stated the US FDA.

BRIEFLY

Exxon's foreign

staffevacuated

from Iraqi oilfield

Basra/Dubai: Exxon Mobil

has evacuated all of its for-

eign staff, around 60 peo-

ple, from Iraq's West Qurna

1 oilfield and is flying them

out to Dubai, a senior Iragi

official and three other

sources told Reuters on

Saturday. The evacuation

came just days after the **United States withdrew**

non-essential staff from its

embassy in Baghdad, cit-

ing a threat from neigh-

bouring Iran, which has

close ties to Iraqi Shi'ite

militia. Production at the

oilfield was not affected by

the evacuation and work is

continuing normally, over-

RBI aims for 34% rise in PoS terminals in next 2 years

GEORGE MATHEW MUMBAI, MAY 18

THE RESERVE Bank of India (RBI) is pushing for a 34 per cent increase in PoS (point of sale) terminals to 50 lakh in merchant establishments, mainly involving 44 per cent of total debit card transactions, in the next two years while aiming for "cash-lite" economy" and digital modes for e-commerce.

"Given the current growth trend it is expected to have 50 lakh active PoS by end 2021," the RBI said in a recent report.

Digital PoS (QR code) is also expected to increase substantially and the total card acceptance infrastructure will be upscaled to six times present levels by end 2021, the RBI said in its report on 'Payment and settlements systems in India: vision 2019-2021'.

There are 37.22 lakh PoS terminals in the country as of now. The total value of PoS transactions through debit cards in the year ended March 2019 amounted to Rs 593,475 crore as against Rs 460,070 crore in the previous year, an increase of 29 per cent.

India's foreign exchange reserves

\$420.055 billion in week to May

10 on account of a rise in foreign

currency assets, as per RBI data

rose by \$1.368 billion to reach

XPLAINED

Digital payments can prevent some costs to economic system

AS CASH entails a significant cost to the whole economic system, including consumers, migration to digital modes of making a payment can obviate some of these costs and can give customers a friction-free and enjoyable experience. Giving them multiple options is expected to make this experience exceptional, apart from furthering growth measurable in terms of digital payments turnover to GDP.

The RBI has proposed several measures to make a lesscash economy and facilitate a smoother payment and settlement system in the country.

PoS transactions through debit cards were just Rs 329,907 crore in March 2017. PoS transactions using credit cards jumped to Rs 603,348 crore in March 2019 from Rs 327,878 crore in March 2017.

The RBI has proposed increase in use of digital modes of payment for purchase of goods and services through increase in debit card transactions at PoS (35 per cent increase during the vision period) and continued growth in PPI (prepaid payment

'Forex reserves up by \$1.36 bn to \$420.05 bn'

\$171.9 MILLION

by \$171.9 million to

\$418.687 billion

In the previous week, the

reserves had increased

\$4.368 BILLION: In the

reserves had swelled by

\$4.368 billion to \$418.515

week to April 26, the

billion, helped by the

second dollar-rupee

swap auction held on

SWAP AUCTION: In the

swap auction conducted

on April 23, the Reserve

Bank had received bids

against \$5 billion on offer.

It accepted just five bids

worth \$18.65 billion

worth \$5 billion

April 23

instrument) transactions.

It said the usage of debit cards at PoS transactions is expected to be at least 44 per cent of total debit card transactions (at PoS and ATM). In value terms, it is 15.2 per cent in 2018-19 (5.2 per cent in 2014-15) which is expected to be 22 per cent by end

The central bank has proposed to step up deployment of card acceptance infrastructure across the country including smaller centres with a substan-

\$414.886 BILLION

Foreign exchange reserves

increased by \$1.105 billion

to touch \$414.886 billion

\$392.227 BILLION: In

foreign currency assets,

component of the overall

\$1.358 billion to \$392.227

FOREIGN CURRENCY

ASSETS: Expressed in

currency assets include

depreciation of non-US

andven held in reserves

the effect of appreciation/

units like the euro, pound

LIFE-TIME HIGH: The forex kitty had touched a life-time high of \$426.028

dollar terms, foreign

the reporting week,

which are a major

reserves, swelled by

billion

billion in the week to April 13, 2018

in the week to April 12

tial portion of the infrastructure taking care of processing contactless card payments.

"This is expected to support aim of cash-lite economy and also shift Cash on Delivery (CoD) transactions to digital modes for e-commerce," it said.

"While no specific target is considered for cash in circulation, the enhanced availability of PoS infrastructure is expected to reduced demand for cash and thus over time achieve reduction in Cash in Circulation (CIC) as a percentage of GDP," it said.

It also envisages further facilitation of mobile based payment transactions as gauged on the basis of the registered customer base (expected increase of 50 per cent considering the base effect).

The central bank says enhanced usage of electronic payment systems is expected to reduce the marginal cost given the additional volume.

"The pricing of such services to customers should, over the vision period, show reduction of at least a 100 bps from current levels. Plus a shift from ad valorem rates to per transaction rates is envisaged, as usage of a system is irrespective of the

\$23.021 BILLION:

Gold reserves

unchanged at

\$23.021 billion,

according to the

\$1.454 BILLION:

rights with the

by \$3 million to

S3.351 BILLION:

reserve position

increased by \$7

million to \$3.351

billion, the

data

with the Fund also

according to the RBI

\$1.454 billion

The country's

International

The special drawing

Monetary Fund rose

remained

data.

value of a transaction," it said. The proposed push to increase PoS terminals has come at a time when the number of ATMs has come down from 222,247 in the previous year to 221,703 in March 2019.

However, the value of transactions executed through ATMs increased to Rs 33,10,789 crore from Rs 28,98,761 crore in the previous year. The RBI has proposed further decrease in the share of paper-based clearing as a percentage of retail payments, particularly in terms of number of paper instruments processed. Given the current trend in

cheque usage and the thrust to

shift to digitised transactions it is expected that the volume of cheque-based payments would be less than 2.0 per cent of the retail electronic transactions by 2021, the RBI's vision document Payment systems like UPI /

IMPS are likely to register average annualised growth of over 100 per cent and NEFT at 40 per cent over the vision period.

The number of digital transactions is expected to increase more than four times from 2069 crore in December 2018 to 8707 crore in December 2021.

Baring PE Asia acquires 30% stake in NIIT **Technologies**

PRESS TRUST OF INDIA NEW DELHI, MAY 18

BARING PRIVATE Equity Asia (BPEA) has acquired 30.50 per cent stake in mid-sized software services firm NIIT Technologies Ltd for about Rs 2,627 crore, a regulatory filing said Saturday.

Last month, funds affiliated with BPEA had signed definitive agreements to purchase 30.5 per cent stake in NIIT Technologies from NIIT Ltd and other promoter entities at Rs 1,394 per share.

In a filing to BSE Saturday, NIIT Technologies said Hulst B.V. acquired 18,848,118 equity shares of the company with face value of Rs 10 each on May 17.

rections to the 737 MAX simula-

US reaches deal with Canada, Mexico to lift tariffs on steel, aluminum

LALITKJHA WASHINGTON, MAY 18

THE US on Friday reached an agreement with Canada and Mexico to lift tariffs on steel and aluminum, and the corresponding retaliatory tariffs, a move likely to ease trade tensions between the three North American countries.

expected to remove a significant barrier to passing the United States-Mexico-Canada Agreement (USMCA). The \$1.4 trillion in North American trade supports more than 12 million

Elimination of these tariffs is

American jobs. "I'm pleased to announce that we've just reached an agreement with Canada and Mexico and will be selling our product into those countries without the imposition of tariffs or major tariffs,"Trump said in his address to the National Association of Realtors Legislative Meeting. Trump said the agreement is going to be a "fantastic deal" for the

He hoped the Congress will approve the USMCA quickly.

"And then the great farmers and manufacturers and steel plants will make our economy even more successful than it already is if that's possible – which it is possible," he said.

Earlier, Trump spoke with Canadian Prime Minister Justin Trudeau. "The two leaders discussed the United States' Section 232 tariffs on steel and aluminum and Canada's retaliatory tariffs. The two leaders also discussed relations with China, uranium, and the new NAFTA," a Canadian press release said.

Such an agreement between the US, Canada and Mexico clears a major obstacle to the congressional approval of new North American trade deal called USMCA. PTI

US likely to scale back Huawei trade restrictions to help existing customers

REUTERS

WASHINGTON, MAY 18

said on Friday it may soon scale back restrictions on Huawei Technologies after this week's blacklisting would have made it nearly impossible for the Chinese company to service its existing customers. The Commerce Department, which had effectively halted Huawei's ability to buy American-made parts and components, is considering issuing a temporary general license to "prevent the interruption of existing network operations and equipment," a spokeswoman said.

THE US Commerce Department

Potential beneficiaries of the license could, for example, include internet access and mobile phone service providers in thinly populated places such as Wyoming and eastern Oregon that purchased network equipment from Huawei in recent years. In effect, the Commerce Department would allow Huawei to purchase US goods so it can help existing customers maintain the reliability of networks and equipment, but the Chinese firm still would not be al-

Potential beneficiaries of the license could, for example, include internet access and mobile phone service providers in thinly populated places

lowed to buy American parts and components to manufacture new products. The potential rule roll back suggests changes to Huawei's supply chain may have immediate, far-reaching and unintended consequences.

The blacklisting, officially known as placing Huawei on the Commerce Department's entity list, was one or two efforts by the Trump administration this week allegedly made in an attempt to thwart national security risks. In an executive order, President Donald Trump also effectively barred the use of its equipment in

Huawei's smartphones and network equipment could be used by China to spy on Americans.

seen by Iraqi engineers, said chief of Iraq's stateowned South Oil Company which owns the oil field, Ihsan Abdul Jabbar.

Falih: See no oil shortage; OPEC to act if needed

Ieddah: Saudi Arabia's

Energy Minister Khalid al-

Falih said on Saturday that

he saw no oil supply

shortage as global oil inventories are still rising, particularly from the United States, but OPEC will be responsive to the oil market's needs. Speaking in Jeddah ahead of a ministerial panel gathering on Sunday of top OPEC and non-OPEC producers, including Saudi Arabia and Russia, Falih told Reuters OPEC will not decide on output until late June when the group is due to meet next."I am not sure there is a supply shortage, but we will look at the (market) analysis. We will definitely be responsive and the market will be supplied," Falih said, when asked whether an increase in output was on the table due to oil shortage concerns. "But all indications are that inventories are still rising. We saw the data from the US week after week, and they are massive increases, so

there is obviously supply

abundance." **REUTERS**

737 MAX simulators in high demand. They are flawed.

NATALIE KITROEFF WASHINGTON, MAY 18

SINCE THE two fatal crashes of the Boeing 737 Max, airlines around the world have moved to buy flight simulators to train their pilots. They don't always work.

Boeing recently discovered that the simulators could not accurately replicate the difficult conditions created by a malfunctioning anti-stall system, which played a role in both disasters. The simulators did not reflect the immense force that it would take for pilots to regain control of the aircraft once the system activated on a plane traveling at a high speed.

The mistake is likely to inten-



8 aircrafts parked at Victorville Airport in Victorville, **California, US.** Reuters file photo

sify concerns about Boeing, as it tries to regain credibility following the crashes of Lion Air and Ethiopian Airlines flights. In the months since the disasters, Boeing has faced criticism for serious oversights in the Max's design.

The anti-stall system was designed with a single point of failure. A warning light that Boeing thought was standard turned out

to be part of a premium add-on. "Every day, there is new news about something not being diserror or was not complete," said Dennis Tajer, a spokesman for the American Airlines pilots union and a 737 pilot. The training procedures have been a source of contention. Boeing has maintained that simulator training is not necessary for 737 MAX and regulators do not require it, but many airlines bought the multimillion-dollar machines to give their pilots more practice. Some pilots want continuing simulator training. The flight simulators, on-the-

closed or something was done in

ground versions of cockpits that mimic the flying experience, are not made by Boeing. But Boeing provides the underlying information on which they are designed and built. "Boeing has made cor-

tor software and has provided additional information to device operators to ensure that the simulator experience is representative across different flight conditions," said Gordon Johndroe, a Boeing spokesman. "Boeing is working closely with the device manufacturers and regulators on these changes and improvements, and to ensure that customer training is not disrupted." In recent weeks, Boeing has been developing a fix to the system, known as MCAS. As part of that work, IT tried to test on a simulator how the updated system would perform, including by replicating the problems with the doomed Ethiopian Airlines flight. **NYT**

US telecom networks.

The United States believes