

DLF transfers Noida mall to its subsidiary firm for ₹2,950 crore

PRESS TRUST OF INDIA
NEW DELHI, MAY 3

REALTY MAJOR DLF said it has transferred shopping mall in Noida, Uttar Pradesh, to its subsidiary firm for Rs 2,950 crore, as part of efforts to settle dues of its joint venture firm with GIC.

DLF has to pay Rs 8,700 crore to the DLF Cyber City Developers Ltd (DCCDL), which is a joint venture firm of DLF and Singapore's sovereign wealth fund GIC. It wants to settle these dues by September this year through transfer of rental assets and land parcels.

In a regulatory filing on Thursday, DLF informed that the company has transferred its property, Mall of India, Noida, to one of its subsidiaries Paliwal Real Estate Ltd, in the ordinary course of business at an arm's length consideration of Rs 2,950 crore, arrived on the basis of the valuation report of an independent valuer.

"This is in line with the company's stated objective of stream-

lining and consolidating the operations and holding structure of its rental assets," DLF added.

Mall of India is located in Sector 18, Noida, with a leaseable area of 2 million sq ft. It was developed at a cost of around Rs 2,000 crore. According to sources, the transfer of Mall of India to a subsidiary firm has paved the way for selling this retail asset to DCCDL to clear the dues.

DLF has 66.66 per cent stake in the joint venture firm, while GIC has 33.34 per cent shareholding.

DCCDL currently holds around 30 million sq ft of rent-yielding commercial assets, largely in Gurgaon (Haryana) with annual rental income of over Rs 2,500 crore.

The JV was formed in December 2017 when DLF promoters sold entire 40 per cent stake in DCCDL for nearly Rs 12,000 crore. This deal included sale of 33.34 per cent stake in DCCDL to GIC for about Rs 9,000 crore and buyback of remaining shares worth about Rs 3,000 crore by DCCDL.

Airtel revamps 'Airtel Thanks' programme

PRESS TRUST OF INDIA
NEW DELHI, MAY 3

BHARTI AIRTEL on Thursday revamped its flagship customer programme 'Airtel Thanks', promising users enhanced benefits and offers including premium content, device and security services, and financial services.

The move comes at a time when players in the Indian telecom market are pulling out all the stops to retain existing customers with differentiated offerings, and nudging subscribers into higher value plans. Airtel said the programme is "tiered in its offering Silver, Gold and Platinum"

It has also launched a new pre-paid bundle at Rs 299 to offer 28 days of Amazon Prime membership along with 2.5 GB data/day, unlimited calls to any network and 100 SMS/day.

IPPAI to CAG: Unfair advantage to PGCIL on transmission project bids

ENS ECONOMIC BUREAU
NEW DELHI, MAY 3

PRIVATE POWER companies' lobby group Independent Power Producers Association of India (IPPAI) has written to the Comptroller and Auditor General (CAG) citing concerns on "unfair advantage available to state-owned Power Grid Corporation of India Ltd (PGCIL) in competitively bid transmission projects".

The IPPAI letter was in reference to the competitive bidding currently underway for nine transmission projects to facilitate the evacuation of electricity from renewable energy projects in Gujarat and Rajasthan.

IPPAI has alleged that there are concerns among private

AROUND ONE MILLION INDIANS 'TESTING' WHATSAPP'S PAYMENTS SERVICE

Supreme Court to WhatsApp: Trial run of payments services 'can't go on forever'

ENS ECONOMIC BUREAU
NEW DELHI, MAY 3

WHATSAPP'S PAYMENTS services came under fire from the Supreme Court on Friday for carrying on indefinitely its pilot programme. The issue at stake is that overseas firms like WhatsApp need to store all financial data within the country under a Reserve Bank of India notification. The deadline for meeting the norm for local storage of financial data ended on October 18, 2018.

Since WhatsApp's payments services are still in pilot stage and has not received the permission of National Payments Corporation of India (NPCI) to go live, technically it is not in violation of any guidelines.

However, on Friday, the SC took note of a petition filed by an NGO, Centre for Accountability and Systemic Change (CASC), which has claimed that WhatsApp has not fully complied

with the RBI's circular which prescribed data localisation norms.

Warning WhatsApp that the pilot programme cannot go on indefinitely in violation of RBI norms, the SC said RBI is free to prosecute it for failing to comply with data localisation norms.

During the hearing of the petition, a bench led by Justice R F Nariman said, "The RBI has filed an affidavit stating that you (WhatsApp) are not following their norms. Let them prosecute... Petitioner may be right that trial run can't go on forever."

The apex court also told the NGO's lawyer Virag Gupta that it will hear the matter. "Don't worry, our arms are long enough. They cannot escape the law," Justice Nariman said when Gupta wanted a direction to WhatsApp, which is owned by social networking major Facebook, to file a copy of its agreement either with the RBI or NPCI as the messaging app was conducting the trial with data of one million users.

SC SAYS RBI FREE TO PROSECUTE

■ Warning WhatsApp that the pilot programme can't go on indefinitely in violation of RBI norms, SC said RBI is free to prosecute it for failing to comply with data localisation norms

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The matter has been posted for detailed hearing in July.

On its part, WhatsApp assured the judges that it will abide by the RBI norms before launching its payments service in the

country and added that the trial run of its payment service is underway and will be over by July.

Denying that they have any agreement with the Reserve Bank or NPCI, senior advocates Kapil Sibal and Arvind Datar, appearing for WhatsApp, said, "We can't launch the product (payments services) without compliance. This is just a trial run which is likely to be completed by July."

Relying on the RBI's circular of April 6, 2018, Gupta argued that trial data of users cannot be allowed to be kept outside India. "This may be violative of permission granted by the NPCI to WhatsApp," he said.

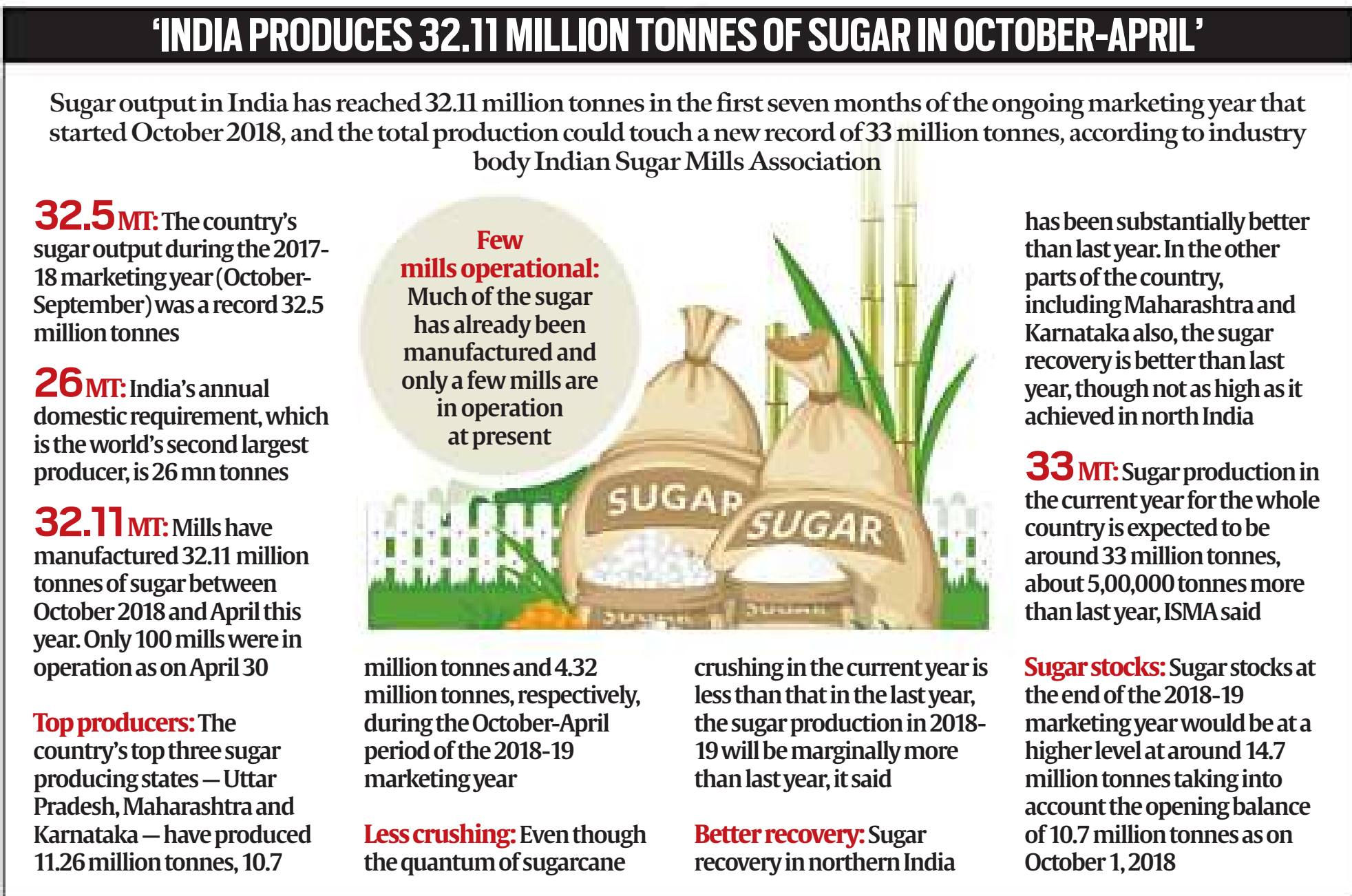
The RBI, in its affidavit to the apex court, said it is exploring regulatory actions to expedite compliance of data localisation. The banking regulator had maintained that payments service providers and third-party payments app should follow its circular on data localisation, which mandates all payments operators

and banks to store data of their Indian users within the country. In January 2019, the SC had made the RBI a party to a petition.

However, in December 2018, the NPCI had said WhatsApp has not given it any timeline for complying with the RBI's data localisation norms. It also said it has not been intimidated if the data during the pilot programme will be stored only in India or just copy of it will be stored here while the main data is stored in servers abroad.

The WhatsApp spokesman had then said, "We have built a system that stores payments-related data locally in India," and the company hopes to expand the payments feature across the country soon so that it can "contribute to the country's financial inclusion goals".

WhatsApp reportedly has more than 200 million active users in India and almost one million people are "testing" its payments service. **FE**



'Former Bhushan Steel CFO arrested by SFIO for fraudulent practices'

PRESS TRUST OF INDIA
NEW DELHI, MAY 3

THE SERIOUS Fraud Investigation Office (SFIO) has arrested former chief financial officer of Bhushan Steel Nittin Johri for fraudulent activities, including filing false documents with various banks, according to sources.

He was managing the affairs of Bhushan Steel and was looking after raising of funds from banks and financial institutions. He was also one of the signatories to the

financial statements of the company till fiscal 2016-17.

The SFIO probe found that there were several fraudulent practices at the company, including manipulations in the accounts and financial statements during the term of Johri. These included maintaining inflated inventories for availing enhanced working capital, the sources said.

According to them, he was also one of the perpetrators of manipulations through the instrument of Letters of Credit (LCs), which was done by filing false

documents with various banks.

A large number of LCs, amounting to more than Rs 20,000 crore, were opened using false documents on behalf of the company over a period of time starting from fiscal 2014-15, the sources noted.

By way of the said modus operandi, Bhushan Steel availed working capital to avoid getting their loan/credit accounts declared as non-performing assets by the banks. LCs worth more than Rs 3,000 crore finally devolved, they said.

'Facebook planning its own crypto for payments'

AGENCIES
SAN FRANCISCO/LONDON, MAY 3

FACEBOOK IS planning a cryptocurrency-based payment system that it could launch for billions of users worldwide, The *Wall Street Journal* has reported. The system would use a digital coin similar to bitcoin, but different in that Facebook would aim to keep the coin's value stable. Bitcoin and similar cryptocurrencies have been susceptible to wild fluctuations in value.

It could reportedly undermine credit cards by sidestepping the processing fees that generate much of their revenue. The *Journal* report cited unidentified people familiar with the matter. It said Facebook is recruiting dozens of financial firms and online merchants to launch the network. Facebook's plans may include financially rewarding users who interact with ads or other features.

Facebook says only that it is exploring many different applications for cryptocurrency technology. Meanwhile, Bitcoin jumped to a new six-month high Friday in a move that traders said was the result of technical forces, with no immediate news catalysts sending the cryptocurrency higher. **AP & REUTERS**

US job growth surges; jobless rate at 49-yr low

REUTERS
WASHINGTON, MAY 3

US JOB growth surged in April and the unemployment rate dropped to a more than 49-year low of 3.6 per cent, pointing to sustained strength in economic activity even as last year's massive fiscal stimulus fades.

The Labor Department's closely watched monthly employment report on Friday, however, showed steady wage gains last month, consistent with moderate inflation. The decline in the unemployment rate to the

lowest level since December 1969 was because people left the labor force, suggesting some slack in the jobs market remains.

The report was broadly supportive of the Federal Reserve's decision on Wednesday to keep interest rates unchanged and signal little desire to adjust monetary policy anytime soon. Fed Chair Jerome Powell described the economy and job growth as "a bit stronger than we anticipated" and inflation "somewhat weaker."

"Employment gains are strong enough to dispel any immediate concerns over the

health of the economy, while wage gains are not strong enough to force the Federal Reserve's hand to tighten the policy stance," said Harm Bandholz, chief US economist at UniCredit Research in New York. Nonfarm payrolls increased by 263,000 jobs last month, amid gains in hiring nearly across all sectors.

The US economy created 16,000 more jobs in February and March than previously reported. Economists polled by *Reuters* had forecast nonfarm payrolls rising by 185,000 jobs last month.

The strong economy, especially the labor market, could boost President Donald Trump's re-election hopes next year. Trump has touted the economy as being one of the big wins of his first term in office. The economy will celebrate 10 years of expansion in July, the longest on record.

Job growth is well above the roughly 100,000 needed per month to keep up with growth in the working-age population. The second month of strong job growth was further evidence that February's paltry 56,000 increase in jobs was an aberration.

Berkshire Hathaway has, finally, invested in Amazon.com: Warren Buffett

REUTERS
BENGALURU/OMAHA, MAY 3

WARREN BUFFETT said Berkshire Hathaway Inc has bought shares of internet retailing giant Amazon.com Inc for the first time, though he has not been the one doing the buying, *CNBC* reported on Thursday.

Buffett said the purchase was made by one of his investment managers, Todd Combs or Ted Weschler, and details would be disclosed later this month in Berkshire's quarterly report of its US stock holdings.

The purchase marks a U-turn for Berkshire, where Buffett has long praised the leadership of Amazon Chief Executive Jeff Bezos. "Yeah, I've been a fan, and I've been an idiot for not buying," Buffett told *CNBC*.

Buffett's assistant did not immediately respond to a request for comment. Amazon did not immediately respond to a similar request. Shares of companies often rise when Berkshire reveals its support through new stakes, even when the purchases are believed or known to have been made by Combs or Weschler, who together invest about \$26 billion.

The initial impetus of the portfolio managers has in the past heralded Buffett's eventual forays into some of their investments, often in big ways. It was Combs who in 2012 began investing in industrial and aircraft parts maker Precision Castparts Corp. Four years later, Berkshire completed its purchase of that company for \$32 billion, in what remains Buffett's largest acquisition.

More recently, it was either Combs or Weschler who in 2016 began investing in iPhone maker Apple Inc.

But it was Buffett who ramped up that stake into Berkshire's largest common stock investment, more than 255 million shares, now worth roughly \$53 billion.

The Amazon purchase adds an additional bond between Buffett and Bezos, whose companies teamed up last year with JPMorgan Chase & Co to form a new venture, Haven, to reduce employee healthcare costs.

Berkshire has more than 90 businesses in the insurance, energy, food and retail, industrial, railroad and other sectors, and often buys stocks when buying whole companies appears too expensive.

Tesla ups capital raise to \$2.7 bn

REUTERS
BENGALURU, MAY 3

TESLA INC on Friday was set to raise up to \$2.7 billion in a record-setting capital raising for the electric carmaker, as investors scooped up a mix of new stock and convertible notes that will recharge the company's cash-depleted balance sheet.

It said in a filing that it had raised its offer to 3.1 million shares, rising to 3.5 million including a tranche for underwriting banks, from an initially planned 2.7 million, priced at \$243 per share.

The filing also showed it would place convertible debt worth \$1.6 billion, up from an initial planned \$1.35 billion. That all pointed to buoyant interest in the



CEO Elon Musk also doubled his commitment for buying shares. *Reuters file photo*

offering and shares in the company rose 2.5 per cent in morning trading. The coupon for the debt offering, however, was set at 2.0 per cent - the top of the indicated range - suggesting the company had ceded ground to investors to borrow so much.

The conversion premium at

which the bonds can be exchanged for stock in the future, was also at the bottom of the initial range given by the company - another concession.

Tesla's launch of a capital raise was greeted with relief by Wall Street on Thursday after a tumultuous year which has seen analysts and investors cast doubt on its ability to produce, sell and deliver enough cars to make a sustainable profit. The firm said that after all costs had been deducted it could now get up to \$2.7 billion in new capital from the offer.

Musk, whose fortune centers around a 20 per cent stake in the \$42-billion company, also doubled his initial commitment for buying shares and will now buy stock worth up to \$25 million, the company said.

NSE co-location case: Sebi partially relaxes orders against 3 stock brokers

PRESS TRUST OF INDIA
NEW DELHI, MAY 3

MARKETS REGULATOR Sebi Friday partially relaxed orders against three stock brokers in NSE's co-location facility case by allowing them to close the open positions in F&O and currency derivatives segments within two months.

The directions have been relaxed in the case of OPG Securities Pvt Ltd, Way2Wealth Brokers Pvt

Ltd and GKN Securities. On Tuesday, Sebi had barred OPG Securities and its three directors from markets for five years, while Way2Wealth and GKN Securities were asked to not undertake any trade on any stock exchange on proprietary account for two years.

The Securities and Exchange Board of India's (Sebi) ruling came after it found the three brokers guilty of misconduct in NSE's co-location case.

Following the order on

Tuesday, Sebi said, it is understood that the three brokers are holding open positions in futures and options (F&O) and currency derivatives segments at the end of trading on April 30, 2019, which need to be closed.

It is clarified that the directions issued vide orders shall stand relaxed for the limited purpose of allowing the three brokers to close open positions in the futures and options and currency derivatives segments, Sebi said in two separate orders Friday.

Crude oil up after strong US economic data, but heads for weekly slump



Syrian workers fixing pipes of an oil well at an oil field, in Rmeilan, Hassakeh province, Syria. *AP file photo*

REUTERS
NEW YORK, MAY 3

OIL PRICES edged up nearly 1 per cent on Friday, as strong US economic data boosted demand sentiment and as production losses in sanctions-hit Iran and Venezuela tightened the market. Still, oil futures were headed for weekly declines on a jump in US crude inventories reported this week.

Brent crude oil futures climbed 55 cents, or 0.8 per cent, to \$71.30 a barrel by 12:38 p.m. EDT (1638 GMT), but were set for their first weekly loss in five weeks.

US West Texas Intermediate (WTI) crude futures were up 45 cents, or 0.7 per cent, at \$62.26 a

BRIEFLY

CEA to be part of Finance panel's Advisory Council

New Delhi: Chief Economic Advisor Krishnamurthy Subramanian has been included in the Advisory Council of the 15th Finance Commission as its member, an official statement said on Friday. The Advisory Council was set up in April 2018 to advise the commission on any issue or subject related to the terms of reference (ToR) of the commission.

Applications for HCL's CMD post invited

New Delhi: Government head-hunter PESB has invited applications for the post of Chairman and Managing Director of Hindustan Copper Ltd (HCL). "The Public Enterprises Selection Board (PESB) is seeking qualified candidates for the post of Chairman and Managing Director (CMD), Hindustan Copper Ltd," the mines ministry said.

Injunction request against Cipla denied

New Delhi: Cipla Friday said the US District Court of Delaware denied Amgen Inc's request for preliminary injunction to stop Cipla's continued sale of its generic cinacalcet hydrochloride tablets in the US market. Preliminary injunction is a court order made in the early stages of a lawsuit that prohibits the parties from doing an act in order to preserve status quo until trial is over and court has issued a ruling or judgment.

Rohta gets out of bankruptcy proceedings

Mumbai: Software firm Rohta India has become one of the first defaulters to come out of the bankruptcy proceedings on the basis of the April 2 Supreme Court order, with the Mumbai bench of the NCLT dismissing Union Bank's plea against the company. **PTI**

'SoftBank planning IPO of \$100 billion'

Bengaluru: SoftBank Group Corp is considering an initial public offering of its \$100 billion Vision Fund, the *Wall Street Journal* reported on Friday, citing people familiar with the matter. **REUTERS**

barrel, while poised for their second straight weekly decline. A US jobs report that showed growth surging in April and the unemployment rate dropping to a more than 49-year low of 3.6 per cent, increased the expectation that crude demand would stay strong, said Phil Flynn, senior analyst at Price Futures Group in Chicago.

"After the strong jobs report, the market is kind of putting that big build this week into perspective," Flynn said.

Equities rallied and the US dollar weakened following the report, which also supported oil futures. Oil prices tend to follow moves in equities, and demand for the US dollar-linked commodity often increases when the greenback slips.