

IN BRIEF

**NEFT/ RTGS charges waived from July 1**

MUMBAI
The Reserve Bank of India (RBI) has decided to waive the charges levied on banks for Real Time Gross Settlement System (RTGS) and the National Electronic Funds Transfer (NEFT) transactions from July 1. Banks were advised to pass on the benefits to their customers. Separately, the RBI has formed a committee to review the entire gamut of automated teller machines' (ATMs) charges and fees.

Thyssenkrupp, Tata Steel can't merge, says EU

BRUSSELS
The EU's powerful anti-trust authority on Tuesday blocked the merger of German industrial conglomerate Thyssenkrupp with Indian steel giant Tata, an expected veto that kills the deal. "We prohibited the merger to avoid serious harm to European industrial customers and consumers," EU Competition Commissioner Margrethe Vestager said in a statement.

RBI to pump in ₹15,000 crore tomorrow

MUMBAI
The RBI said it will infuse ₹15,000 crore into the financial system on Thursday. "Based on an assessment of prevailing liquidity conditions and also of the durable liquidity needs going forward, the RBI has decided to conduct purchase of (six) government securities under OMOs for ₹150 billion on June 13 through multi-security auction using the multiple price method," the central bank said in a statement.

PV sales at new low, sector seeks govt. help

Fall in wholesale numbers due to weak demand; producers forced to undertake inventory correction

**SPECIAL CORRESPONDENT
NEW DELHI**

In the steepest fall in nearly 18 years, the domestic passenger vehicle sales declined by 20.55% in May 2019, prompting the industry to seek government support.

The decline in wholesale auto numbers continued mainly due to weak consumer demand, forcing manufacturers to undertake inventory correction.

The passenger vehicle sales declined to 2.39 lakh units last month against 3.01 lakh units in May 2018, according to the data released by industry body Society of Indian Automobile Manufacturers (SIAM) on Tuesday.

The data also showed that this was the steepest decline in passenger vehicle sales since September 2001, when

Domestic sales and exports of PVs for May

Segment	Domestic sales*	Y-o-Y % growth	Exports*	Y-o-Y % growth
Passenger cars	1,47,546	-26.03	48,447	7.89
Utility vehicles	77,453	-5.64	10,970	-24.3
Vans	14,348	-27.07	121	-51.98
Total passenger vehicles (PVs)	2,39,347	-20.55	59,538	-0.18

*(no. of units); Source CMIE

the sales were down by 21.91%.

All-round decline

The sales across all vehicle segments, including two-wheelers, three-wheelers and commercial vehicles, were down in May, dragging the total vehicle sales down by 8.62% to 20.86 lakh units, from 22.83 lakh units in the year-ago month.

In the passenger vehicle segment, cars sales were down 26% to 1.47 lakh units, while those of utility vehicles and vans fell 5.64% to 77,453 units and 27% to 14,348 units, respectively.

Two-wheeler sales were down 6.73% to 17.26 lakh units, with motorcycles sales declining 4.89% to 11.62 lakh units and those of scooters down 7.87% to 5.11 lakh units.

Sales of commercial vehicles were down 10% to 68,847 units. "We have been seeing a decline across all segments of the industry in the last few months. The industry has not been able to recover since the floods in Kerala... there were factors such as high fuel prices, high insurance costs, and the NBFC issue... consumer sentiment is still low... The industry is still trying to correct inventory levels," SIAM director general Vishnu Mathur said.

Seeks GST cut

Pointing out that the government had previously helped the industry in 2008-09 and 2011-12 with policy measures such as cut in excise duty, Mr. Mathur said amid such a market situation, it was time

for the Centre to introduce steps to stimulate growth.

SIAM deputy director general Sugato Sen said that the industry body had asked the government to reduce GST on all categories of vehicles from 28% to 18%.

"The government should also come up with a vehicle scrappage policy. It would help create market for new vehicles... Time has come for serious intervention by the government for stimulating demand. We thought that post the elections, we will see some revival, but that has not happened," he said.

Mr. Mathur, however, added that the industry was hoping that the situation might improve in the second half as a result of pre-buying before the change to BS-VI norms.

Premji's pay package rose 95% in FY19

**SPECIAL CORRESPONDENT
BENGALURU**

Wipro, in a stock exchange filing, said its chairman Azim Premji's salary rose 95% to \$262,054 (about ₹2 crore) in FY19. Chief strategy officer Rishad Premj received a pay package of \$987,652. CEO Abidali Neemuchwala's salary grew 41% to \$3.9 million.

Mr. Premji received \$62,322 in salary and allowances, \$131,231 as commission/variable pay, \$55,705 (others) and \$12,796 in long-term compensation. Mr. Neemuchwala got over \$1 million in salary and allowances, \$891,760 as commission and variable pay, over \$2 million (others) and rest in long-term compensation.

Epson India eyes SMEs to boost monochrome ecotank printer sales

Targets 25% market share in three years from 8% now

**N. ANAND
CHENNAI**

Epson India is betting on home office, small and medium enterprises and the government sectors to scale up its market share in monochrome ecotank printers in the sub-20 pages per minute segment in three years.

"Currently, we have 8% market share in monochrome ecotank printers. Our aim is to achieve 25% in three years," said K. Siva Kumar, senior general manager- IJP, Epson India Pvt. Ltd.

"We stopped making mono laser printers since FY13, as it was not eco-friendly, harmful to humans, consumed more power and had high total cost of ownership

Monochrome ecotank printers are economical and eco-friendly

compared with monochrome ecotank printers. That's why we shifted to monochrome ecotank printers," he said.

New launch

Epson, in the meanwhile, announced the launch of seven new monochrome ecotank printers. The new models are targeted at the office printing market, small, medium and large enterprises, government offices and the retail segment.

"With this, Epson has 14

models in the monochrome ecotank printers. These are economical and environmentally-friendly printers and are equipped with a host of features that will find appeal with mono laser printer users. This is a growing segment. The total cost of production is low compared to mono laser printers and it can print more pages per minute. The replacement cost of inkjet refills are lower compared to cartridges," he said.

Last fiscal, Epson India reported revenue of ₹1,896 crore, of which inkjet printers accounted for ₹850 crore followed by projector, consumables, robots and wearables, he said.

Yes Bank rating placed on watch

**SPECIAL CORRESPONDENT
MUMBAI**

Rating agency Moody's Investors Service has placed Yes Bank's various debt instruments under review for downgrade.

"The review for downgrade takes into account Moody's expectation that the ongoing liquidity pressures on Indian finance companies will negatively impact the credit profile of Yes Bank, given the bank's sizeable exposure to weaker companies in the sector," Moody's said.

According to Moody's, at the end of March 2019, Yes Bank's exposure to Indian housing finance companies and non-bank finance companies represented 6.4% of its total exposure.

'Merger of Tata Chem's consumer business is to scale up TGBL's portfolio'

To kick-start growth momentum

**SPECIAL CORRESPONDENT
KOLKATA**

Tata Global Beverages Ltd. (TGBL) chairman N. Chandrasekaran said the proposed demerger of the consumer products business of Tata Chemicals Ltd. into TGBL was to build a premium, high-class consumer products company.

Speaking at the annual general meeting of TGBL, he said the merger announcement was aimed at creating a broader consumer products company that would kick-start growth.

"We need to kick start the growth momentum," he said. The core challenge ahead of the company was in leveraging its strong assets, including brands.

"We also need to scale up and create a large portfolio. Tea, water cannot give scale," he said.

'Larger canvas'

"TGBL's financial metrics were not adequate. We need to address this," he said. It would not be a mere food products company and the canvas might be larger, he added.

Later, responding to shareholders queries, he said that TGBL would not like to be in any marginal business. "We want to select particular opportunities and scale them up," he said. "TGBL's performance has been muted for years, profit has been stagnant," he said.

He indicated that the company might take a look at the number of its subsidiaries and may consolidate, if need be. "We will be in areas where we can scale up," Mr. Chandrasekaran said. TGBL managing director and CEO Ajay Misra



N. Chandrasekaran

said the company had seen improved topline from its India business, but profits had been impacted in FY19 due to rising costs and the Kerala floods.

In international business, Tetley's cold infusion launch is now the "hottest news". However, most of the businesses were small in scale, he said. The water business had seen degrowth with distribution losses, he said.

On the potential acquisition of Dhunseri's tea brands in Rajasthan, he said that due diligence was on and it would enable significant penetration into the large, but fragmented tea consumption market in Rajasthan.

57% share

Commenting on the move to bring TGBL and the consumer products business of TCL on a single platform, he said that tea would contribute to 57% share of the business, followed by 18% of salt, 13% coffee and 12% of others.

Mr. Chandrasekaran said that while the probability of including the detergents business was now being piloted, spices and pulses would be retailed under the Sampann brand.