



Laxman Narasimhan Named Reckitt Benckiser Global CEO

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A low-profile unicorn is changing Indian tech
Intel wants to continue supplying to Huawei
Why BharatPe wants to build a business around kirana stores

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Inside story

Pos Deployers Up Game as Biggies Enter Cards Space

The entry of Reliance Jio, Paytm and other new-age digital payment companies into the traditional card payments business has set alarm bells ringing in the sector, and incumbents are building moats to protect their turf from disruption.

Disruption: Startups & Tech >> 6

Uber in Talks with Govt to Elevate Flying-taxi Norms

Ride-hailing firm Uber has begun talks with the government to usher in a regulatory framework for flying taxis in the country, a top company executive told ET. Over the past one year, the San Francisco-based company has held conversations with regulators in India and met with Prime Minister Narendra Modi, said Nikhil Goel, head of product, aviation at Uber.

Disruption: Startups & Tech >> 6

Jalan Panel Plans to Meet Once More Before Finalising Report

The Bimal Jalan committee, which is looking into the size of capital reserves that the RBI should hold, will have one more meeting before finalising its report to be submitted to the apex bank by month-end.

Economy: Macro, Micro & More >> 8

Yes Bank Avoids Shareholder Queries on Rana Kapoor's Future

The Yes Bank board on Wednesday studiously avoided shareholder queries on Rana Kapoor's future at the lender, which held its annual general meeting (AGM) in the backdrop of two directorial exits by independent members earlier in the week after the promoter had made demands for a re-entry.

Unit to Monitor States' Gender Targets On Cards

India could set up a gender equality unit to closely track improvement in the status of women over a dozen indicators and rank states on those parameters.

Economy: Macro, Micro & More >> 8

Market Tracker

	LAST	% CHANGE
Nifty	11,906.20	-0.5
Sensex	390756.81	-0.48
BSE Midcap	140922.46	-0.79
BSE Smallcap	140548.72	-0.48
Re/US \$	69.35	0.15
Gold Std*	33,050.00	0
Silver (₹/kg)	38,000.00	0.53
Brent (\$)	61.71	-1.85

*₹/10gm
Compiled by ETIG Database

ET INSTA POLL

Do you think India's GDP measurement methods are prone to error and need an overhaul?

63% YES, 27% NO, 10% CAN'T SAY

TODAY'S QUESTION: Should budget target gross national well-being more than it does GDP?

www.economicstimes.com

AUDITOR RESIGNS, INFORMS MCA OF IRREGULARITIES

PwC Red Flags Holes in RCap, Home Fin Books



Points at diversion of funds, transactions with other group companies; Reliance Group says it does not agree with PwC's reasons for quitting

Sachin Dave & Vinod Mahanta

Mumbai: Price Waterhouse & Co (PwC) has informed the ministry of corporate affairs about certain alleged irregularities in the books of accounts of Reliance Capital (RCap) and Reliance Home Finance. The irregularities, which involved diversion of funds and transactions between the two firms and other group companies, came to light while it was auditing the books of the two companies

for the first quarter ending June 2019, two people close to the development said. PwC quit as auditor and has informed the ministry of corporate affairs about the reasons behind its departure, these people said. People close to the development said that the auditor had raised these issues with the company a few months back and discussions had been taking place between the two. Specifically, there appears to have been an issue with certain related party transactions and the RCap management was willing to give a management letter. "The auditors were not insistent that they would like better visibility on certain transactions between group companies," one of the persons said. The Anil Ambani-helmed RCap informed stock exchanges early on Wednesday morning about PwC's resignation. RCap attributed the move to the auditor's claim of not having received satisfactory response to certain "observation and transactions".

Audit Battle

CAUSE OF ACTION

PwC says no satisfactory answer for certain observations/transactions

Prevented PwC from performing duty of auditor

Actions by company impaired independence

If issues not resolved, it may impact financial statements

EXPLANATION BY RELIANCE

Don't agree with reasons given by PwC for resignation

Gave certification and conformations regarding the transactions

Expected PwC to participate in audit committee meeting, not resign before that

Contemplating legal action

Audit's Big 4 may Avoid 'Risky' Cos

The Big Four audit firms have started a debate over whether to walk away from potentially risky work, report Vinod Mahanta & Sachin Dave. >> 11

Illustration: ARINDAM

IIP Growth Rebounds in April to 6-month High, Expands by 3.4%

Retail inflation hits 7-month high in May but stays within RBI's comfort zone

put accelerated in the first month of the current fiscal from 0.4% in the preceding month but slower than 4.5% in April 2018. Retail inflation moved up to 3.05% in May compared with the revised figure of 2.99%, up from 2.92% estimated earlier, in April, remaining below the central bank's target rate of 4%.

ve-year low of 6.8% in FY19 and getting growth back on track will be one of finance minister Nirmala Sitharaman's prime objectives when she presents the budget on July 5. Food inflation, which has been accelerating since December last year, rose to an 11-month high in May driven largely by the prices of vegetable and pulses.

Our Bureau

New Delhi: India's industrial output rebounded unexpectedly to a six-month high in April as it expanded by 3.4%, bringing some relief to policy makers gearing up to present the full budget in July. Retail inflation inched up to a seven-month high in May but remained within the central bank's comfort zone, leaving room for more interest rate cuts.

Official data released by the statistics office on Wednesday showed the country's industrial output accelerated in the first month of the current fiscal from 0.4% in the preceding month but slower than 4.5% in April 2018. Retail inflation moved up to 3.05% in May compared with the revised figure of 2.99%, up from 2.92% estimated earlier, in April, remaining below the central bank's target rate of 4%.

The Reserve Bank of India last week cut the policy rate by 25 basis points for the third time in a row and shifted its stance to "accommodative," hinting at scope for further reductions as part of efforts aimed at reversing a growth slump. India's GDP slowed to a five-year low of 6.8% in FY19 and getting growth back on track will be one of finance minister Nirmala Sitharaman's prime objectives when she presents the budget on July 5. Food inflation, which has been accelerating since December last year, rose to an 11-month high in May driven largely by the prices of vegetable and pulses.

Vegetable inflation at 5.5% was also at an 11-month high while pulses saw inflation after a gap of 29 months. The government has already moved to contain the price of pulses by releasing additional buffer stocks.

Prices of fruits and vegetable will likely track progress of the monsoon, which started a week late and has been interrupted by cyclone Vayu, scheduled to make landfall on Thursday according to the weather office.

Of Oil and Natural Golf Courses

Govt wants ONGC to sell 2 of its fairways in Ahmedabad and Vadodara

lic Asset Management (DIPAM). The government now wants ONGC to monetise these assets, said officials familiar with the matter, speaking off record.

New Delhi: Those holes weren't dug for finding oil or natural gas, but ONGC prizes them anyway. The government, though, now wants the public sector hydrocarbon giant to sell its 18-hole golf courses dotted around the country. ONGC's fairways, for long used by its executives for playing the leisurely game and for hosting the company's business partners, have been deemed 'non-core' assets by the Department of Investment and Public

EAC Trashes Subramanian's GDP Claim

The Economic Advisory Council (EAC) to the PM has refuted former chief economic adviser Arvind Subramanian's claim that India's GDP growth was overestimated between 2011-12 and 2016-17, saying the base year of income calculations was shifted to 2011-12 in line with the recommendations of several committees. The EAC said it will examine in detail the estimates made in Subramanian's paper and come out with a point-by-point rebuttal. >> 8

Live Ecommerce Makes a Splash in Bharat

How BulBul and simsim are plotting to challenge Amazon and Flipkart in smaller towns

Bengaluru: Ms Sitara is trying to sell a Pyramid clasp sling bag for ₹399. Together with a friend, she painstakingly describes the bag's features, carefully demonstrating its "ease on the shoulder". In another stream, Ms Diva shows off her red top, which she explains gives you a "modern" look, besides being best suited for the summer. It's a brief, 29-second video, but look closer to the bottom right of the screen, and you will see a "Buy Items" icon.

In many ways, this is a throwback to the 90s, when teleshopping networks occupied prime slots on cable television. Except today, all of this is happening on a 75-day-old app called BulBul, which has quietly started offering a different take on how

ecommerce could be done in India: content-led, compared to product led.

BulBul was founded in November 2018 by Sachin Bhatia, former MakeMyTrip cofounder, Atit Jain, cofounder of medicine-delivery startup

Pluss, and Sichen Sianna Liu, a former senior executive at Chinese short-video company Kwai. The fledgling app could soon be competing against simsim, a recently launched app founded by former Paytm senior executives Amit Baga-

ria and Saurabh Vashishth, and Kunal Suri, formerly of Foodpanda. EkAnek Networks, founded by former Airtel Wynn CEO Karthik Sheth, is also involved.

While these are early days for live-streaming ecommerce, or "live commerce" as it is known in China, the opportunity to take online shopping beyond the first 100 million users is what these companies are excited about.

Bagaria of simsim says, "ecommerce in India still caters to a very small consumer base. Not more than 30-35 million users shop online on a frequent basis (more than three to four times a year). And even this small base shops only for a limited set of categories. Categories like accessories, unbranded fashion, Home & Kitchen, beauty & personal care has not taken off online at all."

LIVE COMMERCE AT A GLANCE: BY THE NUMBERS

Largest market **CHINA**

Market size (live streaming) **\$4.4 BILLION**

No. of livestream viewers (2018) **456 MILLION**

No. of players with live-streaming features (2017) **~200**

INDIA'S NASCENT LIVE-COMMERCE LANDSCAPE

	Bulbul	simsim	EkAnek Networks
Founded	Nov 2018	Sep 2018	Oct 2018
Founders	Sachin Bhatia, Sichen Sianna Liu & Atit Jain	Amit Bagaria, Saurabh Vashishth, & Kunal Suri	Kartik Sheth & Chandranshu Sinha

CO VALUED AT \$1.5 BILLION

CPPIB All Set to Make a \$150m Delivery to Delhivery

Fund buying shares from Multiples; Nexus may also sell some stake

Biswarup Gooptu & Samidha Sharma

Bengaluru | Mumbai: Canada Pension Plan Investment Board (CPPIB) is in the process of making a \$150-million (₹1,040-crore) investment in new-age logistics company Delhivery, underscoring the rising interest of bulge-bracket investors in a clutch of growth-stage technology firms.

CPPIB, one of the world's largest retirement funds, is buying the shares from homegrown private equity firm Multiples Alternate Asset Management, said two people familiar with the deal's details. Venture capital firm Nexus Venture Partners, an early investor in Delhivery, may also liquidate some of its shareholding.

"The secondary stake sale is in the process of getting completed, valuing Delhivery at \$1.5 billion," said a person close to the matter.

The deal will see CPPIB, which manages \$392 billion in assets, pick up a stake of about 8% in the Gurgaon-based company, sources close to the matter told ET. Delhivery already counts heavyweights such as SoftBank Vision Fund, private equity firm Carlyle Group and Chinese conglomerate Fosun International among its backers. Times Internet, a part of the Times Group, which publishes ET, is also an early investor in the company.

A CPPIB spokesperson declined to comment. Multiples and Delhivery didn't respond to queries. The Renuka Ramnath-led Multiples first invested in SSN Logistics, which runs Delhivery, in a \$35 million financing round in 2014, and is expected to clock handsome returns after two sets of secondary deals by the PE firm. In 2015, the Mumbai-based fund sold a 10% stake in the logistics company to Tiger Global.

SECOND BET FOR CPPIB ON A TECH STARTUP

CPPIB's investment in Delhivery marks its second investment in the Indian startup space after having participated in the \$322 million funding round of ed-tech venture Byju's in December last year.

The pension fund, the largest in North America, has been increasingly focusing on emerging markets, and was reported to have allocated about \$8.2 billion, or 2% of its overall global fund exposure, to Asia's third-largest economy.

Delhivery founded in 2011 by Sahil Barua, Mohit Tandon, Bhavesh Mangani, Suraj Saharan and Kapil Bharati, raised more than \$400 million in its latest round of equity financing which was led by SoftBank Vision Fund, propelling it into the unicorn club, comprising privately-held companies with a valuation of \$1 billion or more. SoftBank holds a 23.41% stake in the company.

Will Complete Mindtree Deal, Says AM Naik

L&T will soon garner more than 40% stake and pursue its open offer for Mindtree, chairman AM Naik told Kala Vijayraghavan & Raghu Krishnan, even as he criticised the sustained hostile approach of the Mindtree founders. >> 6

Funds Trail in Winsome Case Leads to Macau

The money trail in the Winsome case is leading to Macau, report Rashmi Rajput & Sugata Ghosh. The CBI will issue letters rogatory (LR) to seek information from Macau authorities on movement of funds linked to Winsome companies.

Vodafone Idea and Airtel Eye Samsung Gear

Voda Idea and Bharti Airtel have begun separate 'exploratory talks' with Samsung to source equipment for their 4G networks and future 5G deployments, even as uncertainty looms over Huawei's future in India, reports Danish Khan. >> 5



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SETTING AGENDA FOR THE UPCOMING PARLIAMENT SESSION

Cabinet Nod for Triple Talaq Bill, Extension of President's Rule in J&K

Our Political Bureau

New Delhi: The Union Cabinet on Wednesday approved the Triple Talaq Bill for reintroduction in the upcoming session of Parliament.

The bill was first introduced in the Lok Sabha in December 2017 and was passed by the lower house. However the opposition parties had been opposing the bill over certain provisions and it could not get clear from the Rajya Sabha. The bill lapsed after the dissolution of 16th Lok Sabha and it will be reintroduced in the 17th Lok Sabha. The upcoming session of the parliament begins from June 17. In the past government had promulgated an ordinance on Triple Talaq twice, as it was obstructed by the opposition in the Rajya Sabha. The last ordinance was issued in February this year. The Bill proposes to declare the practice of triple talaq as void and illegal and it also makes it an offence punishable with imprisonment up to three years and fine.



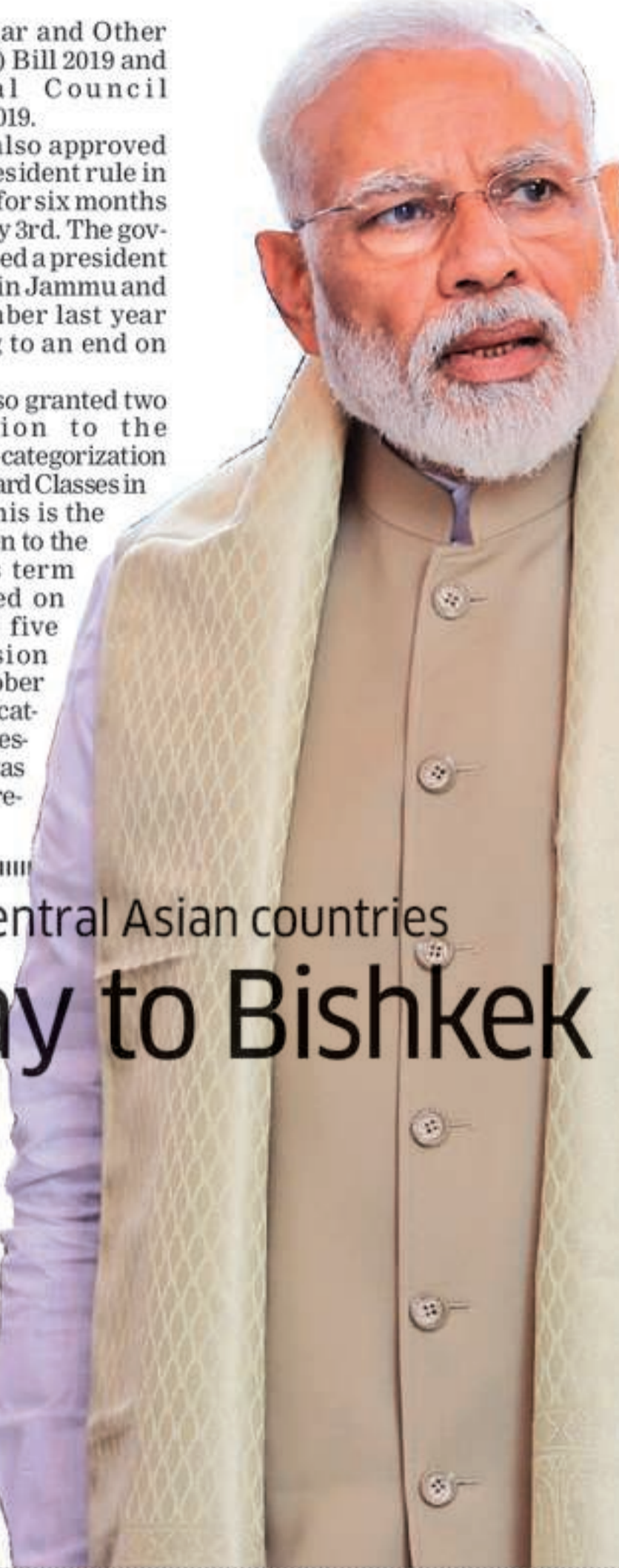
Among other pending bills, the cabinet also approved The Central Educational Institutions (Reservation in Teachers' Cadre) Bill, 2019. The Bill will replace the ordinance issued on the same. The bill is intended to restore the 200 point roster reservation system after the Supreme Court order which has guided to treat a particular department in any university or college as one unit for reservation. Under the bill the unit for reservation of posts in direct recruitment in teachers' cadre will be the university or educational institutions and not the department.

The Cabinet also approved The Jammu and Kashmir Reservation (Amendment) Bill, 2019 by amendments in the Jammu and Kashmir Reservation Act, 2004 and bringing persons residing in the areas adjoining International Border within the ambit of reservation at par with persons living in areas adjoining Actual Line of Control (ALoC). An ordinance for the same was also issued in the previous Lok Sabha. The new Bill replacing the ordinance will be introduced in both the houses of the parliament in the upcoming session. Among others, the cabinet ap-

proved The Aadhaar and Other Laws (Amendment) Bill 2019 and Indian Medical Council (Amendment) Bill, 2019.

The cabinet has also approved the extension of president rule in Jammu & Kashmir for six months with effect from July 3rd. The government had imposed a president rule for six months in Jammu and Kashmir in December last year which was coming to an end on June 2.

The cabinet has also granted two months extension to the Commission for Sub-categorization within Other Backward Classes in the Central List. This is the sixth extension given to the commission as its term would have expired on May 31, 2019. The five member commission was formed in October 2017 to look into sub categorization of OBC reservation quota and was supposed to give its report in 12 weeks.



BIGGER ROLE & RESPONSIBILITY NOW

No More Jr Ministers, All Official Files to be Routed Through MoS

Cabinet ministers to have more time to address top agenda, concerns on priority

Anubhuti.Vishnoi@timesgroup.com

New Delhi: While ministers of state or 'junior ministers' as they are usually referred to in government circles, are mostly kept off key areas and critical file work by the Cabinet ministers, the Union government is attempting to make some course correction on the front.

The Cabinet Secretariat has issued directions to all ministries and departments specifying that all official files will now be routed through the ministers of state.

ET has learnt that the directions further say that certain paper work need not be taken up to the Union Cabinet minister at all - such as annual reports, parliamentary assurances and so on. All this will instead be handled by the MoS, the government has directed.

The move, officials say, will in fact probably bring a much bigger work load for the MoS than the Cabinet minister in many ministries. It will, however, also free up the Cabinet minister to address top governmental agenda concerns on priority.

So far, files pertaining only to work areas/divisions allocated to the MoS by the Cabinet minister in charge, are sent to the junior minister. Most MoS' usually end up with very little involvement with ministerial work or governmental functioning across dispensations.

Though there is no specific work allocation yet outlined for the 31 Ministers of State working with senior Cabinet ministers under Modi 2.0, the directions on work template



issued, indicate a more involved role for the junior ministers.

The Modi government's new council of ministers consists of 24 Cabinet ministers, nine Ministers of State with independent charge and 31 Ministers of State. Modi government's first stint in 2014 had 36 Ministers of State attached to various ministries.

Across ministries, after taking charge - both the Cabinet minister and the ministers of state have been taking separate review meetings with officials.

In UPA 1, several MoSs in a meeting with the then PM had even expressed frustration at the lack of work for them in their respective ministries.

Then PM Manmohan Singh had then even asked all ministers to divide work in a more equitable fashion to allow MoS also to be constructively engaged. However, in practice, it has hardly been implemented with junior ministers fielded to mainly fill in for the busy cabinet minister - answering questions in Parliament besides presiding over a few meetings, events and visits.

PREFERRING LONGER ROUTE Modi's plane will fly via Oman, Iran and Central Asian countries

PM to Avoid Pak Airspace on Way to Bishkek

DipanjanRoy.Chaudhury @timesgroup.com

New Delhi: Prime Minister Narendra Modi's special aircraft will not fly over Pakistan on its way to Bishkek in Kyrgyzstan for the Shanghai Cooperation Organization Summit that starts on Thursday, in what is being viewed as a snub to Islamabad and its efforts to restart dialogue without taking adequate action against terror infrastructure.

This decision was announced after

reports suggested that the Pak government had "decided in principle" to allow Modi's plane to fly over its airspace. This is the first time that Modi's special flight is taking a detour for a trip abroad due to the closure of airspace.

"The government of India had explored two options for the route to be taken by the VVIP aircraft to Bishkek. A decision has now been taken

that the VVIP aircraft will fly via Oman, Iran and Central Asian countries on the way to Bishkek," a foreign ministry spokesperson said.

Flying through Pakistan is the shortest route to Bishkek. Pakistan had closed its airspace on February 26 after Indian Air Force jets bombed a Jaish-e-Mohammed terror camp in Balakot. Since then, it has only opened two of 11 routes, both through southern Pakistan, reportedly under pressure from UAE-based airlines which take these routes.

News agency PTI reported that India had requested Pakistan to let

PM Modi's aircraft fly over its airspace on its way to Bishkek for the two-day SCO Summit.

Pakistan had decided to allow it, PTI reported on Monday citing an unnamed official as saying that the Imran Khan government had "approved in principle" the Indian government's request.

CLOSE ON THE HEELS OF THE MISSION SHAKTI: ANTI-SATELLITE TEST

India Tests Hypersonic Demonstrator Vehicle, Launched from Agni I Platform

First trial is said to have failed to prove technologies; will require more tests

Manu.Pubby@timesgroup.com

New Delhi: India conducted the maiden launch of a new hypersonic technology demonstrator vehicle (HSTDV) that will have futuristic applications for next generation missiles and aerial systems with the Defence Research and Development Organisation (DRDO) but failed to demonstrate the technology.

The vehicle was test launched using the Agni I missile platform that was to

take it up to a predetermined altitude where scramjet technology—the ability to fly at speeds in excess of Mach 6 while using atmospheric oxygen as oxidizer—had to be validated with separation of the platform and a short flight at high altitude.

Sources said that while the missile on which the platform was mounted successfully took off from the range, the test could not be completed to demonstrate the vehicle's hypersonic speed as the Agni I did not reach the desired altitude for the test. Scientists are looking at the technical reasons behind this and are studying all available data.

"The missile was successfully launched at 11:27 Hours. Various ra-

dars, telemetry stations and electro optical tracking sensors tracked the vehicle through its course. The data has been collected and will be analysed to validate the critical technologies," an official DRDO statement read.

It is learnt that further tests will be required to validate the HSTDV that was to demonstrate a short duration flight. Given the complexity of the mission - India will join only a handful of nations after it demonstrates the vehicle - extensive work is required to meet all objectives.

The Agni I is a nuclear capable missile that is in service with the strategic forces and has been successfully tested several times in the past. Its failure to reach the desired altitude is a reason for concern and is being studied. Defence Minister Rajnath Singh was present at Dr Abdul Kalam Island off the coast of Odisha for the test.

TWO-DAY WORKSHOP

Army Holds Meet to Take On Terrorists in Cyber World

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New Delhi: The army is conducting a major cyber warfare workshop for understanding the disruptive technologies being used by terrorists and in building capabilities to counter them.

The Directorate of Indian Defence University (IDU) of the Headquarter Integrated Defence Staff is organising a workshop on 'exploitation of technology by non-state actors and building capacities of own forces to counter them' from Wednesday to Thursday in Delhi. An important discussion will be to understand the capabilities of using technology in counter-terrorist operations. "The workshop intends to cover exploitation of technology across the world by terrorist organisations, exploitation of Dark Web, state support for hybrid war existing capability in exploitation of technology in counter-terrorist operations and future trends," said Lieutenant Colonel Mohit Vaishnav, the Army's spokesperson.

The Chief of Integrated Defence Staff, Lieutenant General PS Rajeshwar, will be addressing the workshop. Officials from the police, intelligence agencies and other services will also be part of it to understand and discuss the use of cyber technologies by non-state actors. An official explaining the need for the workshop said, "It was felt that the use of technology in multiple domains including cyber by non-state actors can have a tremendous destructive or debilitating effect.

NEW PARLIAMENTARY PARTY EXECUTIVE COMMITTEE

PM Modi to be Leader in LS, Thawar Chand Gehlot In RS

Rajnath to be deputy leader in Lok Sabha; Piyush Goyal deputy leader in Rajya Sabha

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New Delhi: BJP on Wednesday announced the formation of the executive committee of the parliamentary party. Prime Minister Narendra Modi would be the leader of the party in Lok Sabha and defence minister Rajnath Singh would be the deputy leader in the lower house.

In Rajya Sabha, social justice and empowerment minister Thawar Chand Gehlot would be the leader of

the party with Railways and commerce and industry minister Piyush Goyal as the deputy leader. A four times Lok Sabha and two times Rajya Sabha MP, Gehlot is the Dalit face of the party. By making him the leader of the BJP parliamentary party in the Rajya Sabha, the party has tried to give a message to the community. Gehlot has replaced senior leader Arun Jaitley who has not been made the leader due to health reasons mentioned by him.

The new executive committee will not have senior leader such as L K Advani, Murlidhar Manohar Joshi, Sushma Swaraj as these three leaders are not MP.

The new executive committee will have its first meeting on June 16 at 3:30 pm, a day before the commencement of the session.

Apart from these senior leaders, home minister and party president

Amit Shah is also part of the executive committee. Among other appointments, parliamentary affairs minister Prahlad Joshi would be the chief whip of the government with Arjun Ram Meghwal as deputy chief whip in LS and V Muraleedharan as deputy chief whip of the government in the RS. West Champaran MP Dr Sanjay Jaiswal has been made the chief whip of the party in LS while MP from Rajasthan Narayan Lal Panchariya has been made the chief whip in the RS. Apart from that, 18 whips have been named for the Lok Sabha and six for the Rajya Sabha.

There are 11 special invitees in the executive committee, six in LS and five in RS. Union minister Smriti Irani has found a place in the parliamentary party executive committee for the first time as special invitee raising her stature in the party.

RAHUL STILL CONGRESS PRESIDENT: PARTY LEADERS

Congress Leaders Hold Meeting Without Sonia & Rahul Gandhi

Kumar.Anshuman@timesgroup.com

New Delhi: For the first time in many years, senior Congress leaders conducted a meeting in Delhi on Wednesday without the presence of party president Rahul Gandhi and leader of the parliamentary party Sonia Gandhi.

Congress general secretary Priyanka Gandhi was also not there for the meeting, which was led by senior leader AK Antony. Both Sonia and Priyanka are in Rae Bareilly, which is the only one in which the Congress managed

to win in UP. Party president Rahul Gandhi lost to BJP's Smriti Irani from Amethi this time.

All the leaders of Congress' core group, which was dissolved after the Lok Sabha polls, were present during the meeting barring Rajasthan chief minister Ashok Gehlot.

"Rahul Gandhi is the Congress president and will remain so," said Congress' communication in-charge Randeep Surjewala, who was present at the meeting. However sources told ET that Rahul Gandhi still has not agreed to carry on

as party president. The leaders discussed the current political situation and the functioning of the Congress, given that assembly elections are coming up in some states. They suggested that there should be a quick review of the party organization in states such as Haryana, Maharashtra and Jharkhand which are scheduled for polls later this year. In Haryana, Congress has not been able to win a single Lok Sabha seat while it has won only one each in Maharashtra and Jharkhand.

Bickering among Congress leaders in Haryana and Maharashtra are harming the party, especially after the debacle in the general elections. In Haryana, party president Ashok Tanwar and senior leader Bhupinder Singh Hooda are holding separate meetings with party workers.

OTHER NEWS OF THE DAY

Anticipatory Bail Back in UP After 33 Years



LUCKNOW: Anticipatory bail is back in Uttar Pradesh after almost 33 years. The provision of pre-arrest bail was scrapped in 1976 during the Emergency. The accused will now get advance bail in the state in cases of non-bailable offences. The Bill was passed by both houses of the state legislature last year in August. President Ram Nath Kovind has approved the Amendment Bill in Sec 438 of the CrPC. — IANS

Uddhav to Take Call on Aaditya's Poll Plunge: Raut



MUMBAI: Shiv Sena chief Uddhav Thackeray will take a call on whether or not his son and the saffron outfit's youth face Aaditya will contest the upcoming assembly polls in Maharashtra, party leader Sanjay Raut said Wednesday. The 28-year-old Thackeray scion is playing an active role in the Sena's preparations for the assembly polls to ensure the party wins the maximum number of seats, Raut said. — PTI

THANKING VOTERS



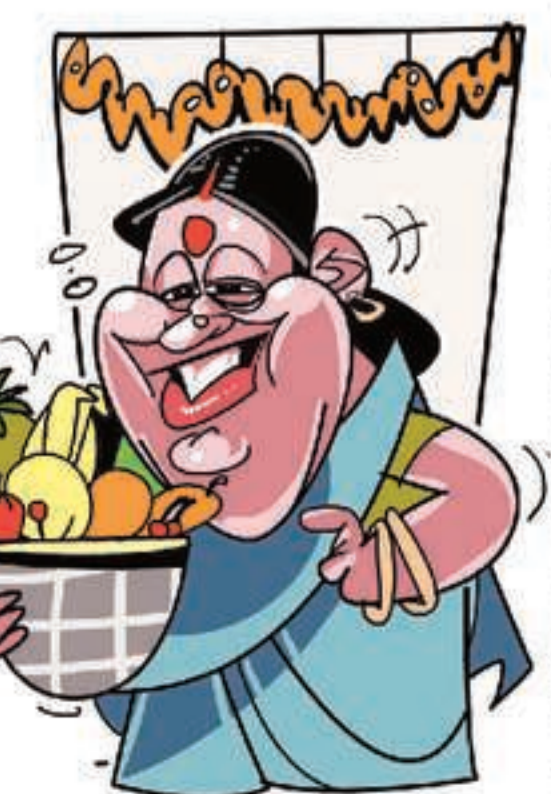
Former Congress president and Raebareilly MP Sonia Gandhi arrives to thank voters after winning the Lok Sabha seat in Raebareilly on Wednesday. — PTI

THIRD EYE



New Ministers Yet to Get Offices

Since the ministry of animal husbandry, dairy and fisheries has been carved out of the agriculture ministry, the new ministers of state for the newly-created department are yet to get a place at the Krishna Bhawan. Sanjeev Balyan, the minister of state for animal husbandry, dairy and fisheries, is yet to get an office and hence he is operating from his residence.



Flowers to Fruits: A Healthy Change

Drawing inspiration from Gujarat's former CM Anandiben Patel and Goa Governor Mridula Sinha, the new Women and Child Development (WCD) minister Smriti Irani has also decided to switch from flowers to fruits as a token of welcome. While addressing her first event on child labour as WCD minister on Wednesday, Irani was welcomed with a basket of fruits instead of a bouquet. The fruits were meant to be distributed among children at anganwadi centres later.



Not All BJP Men Fond of Guv Vala

If whispers in the BJP corridors are anything to go by, Karnataka Governor VR Vala is keen on another term, but some local BJP leaders are not in favour of that. Their grouse is, though they took several complaints against the previous Congress regime and the present JDS-Congress regime to him, he did not crack the whip the way they would have loved. Whether the NDA regime will send someone else to Bengaluru remains to be seen.

Poliloquy R PRASAD



If Rahul doesn't yield, we'll have to resort to internal democracy, I'm afraid!

VERY SEVERE NOW

Army, Navy on Standby as Vayu Nears Guj

Our Political Bureau

New Delhi: As the "very severe" cyclonic storm "Vayu" is inching closer to Gujarat coast and expected to make a landfall Thursday, a high alert has been sounded in 10 districts of Gujarat as fresh predictions suggest that its impact is expected to remain strong for 24 hours even after its landfall Thursday, officials said.

As many as 52 teams of the National Disaster Management Relief Force (NDRF), comprising around 45 rescuers each, have been moved to the state, while 10 columns of the Indian Army have been kept on stand-by. Warships and aircraft of the Indian Navy have been kept stand-by as well.

A general alert has been sounded across 10 district in Gujarat as wind speeds are likely to touch 170 km per hour, a Home Ministry official said. Vayu has turned into a "very severe" cyclone and it is expected that its impact will continue to be strong for 24 hours even after the landfall - between Forbandar and Union territory Diu, the official said.

Normally a cyclone becomes weak after its landfall. Residents of some of the Gujarat districts have been asked to move out to safer places or cyclone shelter centres. Meanwhile, Home Secretary Rajiv Gauba Wednesday chaired a meeting of the National Crisis Management Committee (NCMC) where preparation for relief and rescue operations were discussed there.

The NCMC meeting took stock of the precautionary measures taken by the Gujarat government and Diu UT administration with a view to ensure that no human life is lost, damage to vital infrastructure is minimised and to ensure early recovery of all essential services post-cyclone landfall. Diving and rescue teams and relief materials have been kept on standby for rendering assistance to civil authorities, as required, another official said. Medical teams and facilities at Indian Naval hospital in Mumbai are on standby to handle medical emergencies.

Both the administrations have also been advised for timely evacuation of people from low-lying coastal and vulnerable areas. The Gujarat and Diu administration are evacuating about 3 lakh people from the identified vulnerable areas and they are being shifted to around 700 cyclone and relief shelters.

ANANTNAG TERROR ATTACK Militants open fire at a stationed CRPF vehicle in main market area of Anantnag on Wednesday afternoon

5 CRPF Men Killed, 1 Militant Gunned Down



An injured CRPF personnel being taken to a hospital during an encounter with terrorists in Anantnag on Wednesday

HakeemIrfan.Rashid@timesgroup.com

Srinagar: Five Central Reserve Police Force (CRPF) personnel and a militant was killed while at Station House Officer (SHO) and a woman was injured as militants opened fire on Wednesday afternoon in main market of Anantnag district of Southern Kashmir.

The attack took place around 5:15pm, when militants opened fire at CRPF personnel of 116 battalion stationed in a vehicle and J&K police personnel, who rushed to the spot near Oxford presentation institute on K P Road of Anantnag.

The CRPF personnel killed in the attack were identified as ASI Neeru Sharma and Ramesh Kumar, constables Santender, M K Kushwa and Mahesh Kumar. SHO of Anantnag police station Arshid Ahmad who rushed to the spot along with the police party after hearing bullet shots was also injured. He was shifted to hospital, where he is undergoing treatment along with another woman.

"I think the militant was dropped on the spot for a fideyeen attack. He is a foreigner and we recovered a weapon from the spot. He used arm piercing bullets and that is why several CRPF men were injured," a senior police official in southern Kashmir told ET.

The attack took place on Amarnath pilgrimage route and is a concern for the security establishment

SENIOR OFFICIAL
CRPF

Heavy exchange of fire took place and in the initial attack, three CRPF men died while two others, who were hit by bullets, were taken to a nearby hospital where they succumbed to injuries

as yatra is starting from first week of July for 45 days. Earlier, during the day Governor administration claimed that they have concentrated on loopholes and gaps in the security system and will try to ensure safe and secure yatra.

"Heavy exchange of fire took place and in the initial attack, three CRPF men died while as two others, who were hit by bullets were taken to nearby hospital where they succumbed," a senior CRPF official was quoted as saying.

"We are investigating to find out whether one militant carried the attack or they were two. We think he was dropped there by his accomplices to carry out the attack," sources in police said. They said soon after the incident entire area was sealed off and a massive cordon and search launched.

Former chief minister of J&K Omar Abdullah condemned the attack saying, "...I unreservedly condemn this attack and pray for the souls of the departed. May the injured make a speedy and complete recovery."

J&K Gov Invites Kashmiri Youth for Dialogue

Malik urges local militants to drop arms and tread the path of dialogue with the govt to sort out issues

HakeemIrfan.Rashid@timesgroup.com

Srinagar: Jammu & Kashmir Governor Satyapal Malik on Wednesday urged local militants to drop the arms and tread the path of dialogue and democracy as the government was ready to walk an extra mile within the constitution.

Malik said that Prime Minister Narendra Modi was ready to listen to youngsters, if they shun violence and co-



me on table for dialogue as the government cannot be browbeaten through violence. He said the youngsters in Kashmir were falsely made to believe that they were fighting jihad for cause of 'Allah and Nation' but now it is time to tell truth and bring them on the right path.

constitution of India," said Malik, while addressing a presser in Srinagar. The governor administration stated that the war against corruption will continue and won't spare anybody. "Let the youngsters drop the arms and come to me and have lunch at Raj Bhawan and convince me how they can do good to Kashmir through what they are doing?" Malik asked.

People have been lied to and shown false dreams like azadi and autonomy, which can never be fulfilled, said Malik, adding, "And now they are shown the dreams of heaven. If you are a good muslim, you can get two heavens - one in Kashmir and one hereafter."

J&K governor reiterated that politicians have lied to people of Kashmir for over five decades and are not ready to tell the truth even now.



J&K BANK CASE

'RBI's Concerns Basis for Crackdown Against Bank'

HakeemIrfan.Rashid@timesgroup.com

Srinagar: Jammu & Kashmir chief secretary BVR Subrahmanyam on Wednesday said that action against J&K Bank came after the Reserve Bank of India (RBI) expressed written concern over governance issues within the institution.

He assured that the government would protect the bank as it is the shining glory of the state and would be brought at par with the international standards with branches in London, Singapore and Dubai. He said the search committee is already in touch with some of the best names in the country including ex-governors of RBI, who will be given the mantle of leadership of the bank.

"We have not acted against J&K Bank. RBI gave us a letter saying that they are very concerned about the governance issues in the bank and these issues have been pending despite repeated requests of RBI," the chief secretary said.

He informed that J&K Bank has had a history of appointing people on recommendations under CSR. "Bank is not employing agency Primary responsibility of the bank is to take care of the money. It is not a charitable institution and it had moved away from fundamental objective," said Subrahmanyam. The chief secretary claimed that the bank has spent ₹50 crore to develop golf courses as part of CSR at a time when it was given ₹500 crore by the government to remain operational.

ON SRI LANKA TERROR TRAIL

NIA Conducts Raids, Detains 6 from Coimbatore

Accused were part of a Facebook group associated with Lanka bomber Zahran Hashim

Rahul.Tripathi@timesgroup.com

New Delhi: Expanding its probe into the Islamic State (IS) module in south India, the National Investigation Agency (NIA) identified six youths from Coimbatore in Tamil Nadu for allegedly being part of an ISIS module, propagating Sri Lanka bomber Zahran Hashim preaching on social media.

ET on May 28, was first to report on NIA team visit to Colombo for joining dots of growing influence of Islamic State in south India and Sri Lanka. The Sri Lankan cleric has radicalised several Indian youths in different parts of south India.

A group leader, 32-year-old Mohd Azarudeen, according to NIA, was Facebook friend with Hashim and the two reportedly shared ideology of global terror outfit ISIS. Azarudeen and Hashim, according to NIA, came in contact in October last year following which Azarudeen motivated others to join in the Facebook group, namely KhalifahGFX. "Later, other members of the module also started sharing radical contents attributed to Hashim, over the social media," according to NIA statement.

A resident of Ukkadam in Coimbatore, Azarudeen ran a tour and travel agency in the name of KhalifahGFX, officials confirmed. Besides Azarudeen, the agency named Akram Sindhaa (26), Y Shiek Hidayathullah (38), Abubacker M (29), Sadham Hussain A (26) and Ibrahim Shahin Shah (28). All six are being questioned regarding their association with the group. "During initial questioning, Azarudeen told that he had plans to carry out a big attack in Tamil Nadu and

Man Arrested at Delhi Aiport

NEW DELHI NIA on Wednesday arrested a 44-year-old man, who arrived at the Delhi airport from Dubai, in connection with a case linked to the banned Pakistan-based outfit Falah-i-Insaniyat Foundation (FIF), a senior official said. The accused, identified as Mohammad Arif Ghulambashir Dharampuria, a resident of Valsad, Gujarat, was "evading examination and arrest by hiding himself in Dubai, UAE for long and a look out circular (LOC) was issued by the NIA against him," the official said.

Kerala but first wanted to hire more youths who will be ready to take up jihad," said an official familiar with the investigations.

NIA, in a statement said, "Based on information received that the accused persons and their associates were propagating the ideology of proscribed terrorist organisation ISIS on social media with the intention of recruiting vulnerable youth into the ISIS for carrying out terrorist attacks in south India, especially in Kerala and Tamil Nadu, the raids were conducted at 7 locations."

NIA also seized 300 air-gun pellets and a large number of digital devices including 14 mobile phones, 29 SIM cards, 10 pen drives, 3 laptops, 6 memory cards, 4 hard disc drives, 1 internet dongle and 13 CDs and DVDs besides one dagger, one electric baton.

On Return, Army Team Stays Mum on Yeti Footprint Claims

Our Political Bureau

New Delhi: An Indian Army expedition to Mount Makalu which claimed to have found footprints of the mythical creature Yeti has returned to India, but is yet to share evidence of the discovery such as photographs with subject experts.

This is contrary to the army's plan of sharing the evidence with the relevant experts to establish whether it was the monstrous ape-like creature Yeti, after the team returns from the expedition to Mount Makalu, located on the border between Nepal and Tibet. The expedition expedition was flagged off on March 26. Several officials privy to the expedition said that the team recently returned to India.

Experts have said that the army has not given them any material related to the find. Importantly, the Uttarakhand-based Wildlife Institute of India (WII), an autonomous institution under the Environment Ministry which carries out research on the wildlife, has not received any requests nor evidence of the footprints from the army. Dr S Sathyakumar, a senior scientist with the WII, who has extensively studied the myth of the Yeti, told ET that neither he nor anyone in his fraternity has received material related to the matter from the army. "I have not received anything in this regard," he said.

Last time when ET spoke with Sathyakumar on the matter, following the army posting pictures of the footprints on social media site, Twitter, on April 29 he explained that there has been no confirmed evidence or DNA material pointing to the existence of the Yeti. He also said that the presence of yetis cannot be conclusively claimed with footprints, because they enlarge in snow due to the sun and wind. He also hinted that the footprints could have been of the Tibetan brown bear, which is found in the region where the team found the marks. He had added that about a decade ago, a German mountaineer had photographed similar footprints in Upper Mustang, Nepal and shared it with the International Association for Bear Research. He was a part of the discussion on the matter, which concluded that the footprints belonged to the brown bear.



The army, however, had stood its ground, claiming that its photographic evidences of the footprints match with earlier theories of the beast. However, it had based its opinion on some studies it found on the internet, which also didn't prove the existence of the abominable snowman. The expedition to Mount Makalu on April 9 had spotted the footprints, measuring 32 inches by 15 inches near Makalu base camp. The army stirred a controversy after it had posted pictures of the footprints on Twitter: "For the first time, an #IndianArmy Mountaineering Expedition Team has sited (sic) Mysterious Footprints of mythical beast 'Yeti' measuring 32x15 inches close to Makalu Base Camp on 09 April 2019..." it wrote on Twitter.

IIM Lucknow

Programme	Date	Venue
July 2019		
• Leadership Development Programme Directors: Prof. Pushpendra Priyadarshi	1-3	Lucknow
• Corporate Communication and Image Building Programme Director: Prof. Neeraj Pande	8-10	Noida
• Business Risk Management for Decision Making Programme Directors: Prof. Vikas Srivastava & Prof. Seshadev Sahoo	8-10	Lucknow
• Sales and Distribution Management Excellence in Indian Markets Programme Director: Prof. Rajesh K Aithal	10-13	Lucknow
• Negotiation & Persuasion Skills Programme Director: Prof. Pushpendra Priyadarshi	22-24	Lucknow
• Business Analytics and Big Data Programme Director: Prof. Pradeep Kumar	22-24	Lucknow
• Achieving Sales Leadership & Design Thinking Workshop for Middle Level Sales Managers Programme Director: Prof. Prem P Dewani	22-26	Lucknow
• Overcoming Managerial Challenges through Creative Thinking Programme Director: Prof. Sushil Kumar	July 29 - August 2	Lucknow
August 2019		
• Strategic Cost Management for Decision Making Programme Director: Prof. Seshadev Sahoo	1-3	Lucknow
• Developing Leadership Excellence in Women Executives Programme Director: Prof. Neeraj Pande	5-7	Noida
• Managing Change Programme Director: Prof. Sushil Kumar	5-7	Lucknow
• Managing Luxury Businesses Programme Director: Prof. Prem P Dewani	5-9	Lucknow
• Supply Chain Analytics Programme Director: Prof. S Venkataratnamiah	19-21	Noida
• Digital Marketing Programme Director: Prof. Moutusy Maity	21-25	Noida
• Managing Self for Leadership Excellence Programme Director: Prof. Pankaj Kumar	26-28	Lucknow

For details please visit <http://www.iiml.ac.in/mdpcal> or write to Administrative Officer (MDP) Indian Institute of Management Lucknow Prabhanda Nagar, IIM Road, Lucknow 226 013 Phone: 0522-6696282-3/8 Fax: 0522-2734026/5; E-mail: mdpoffice@iiml.ac.in; mdp@iiml.ac.in

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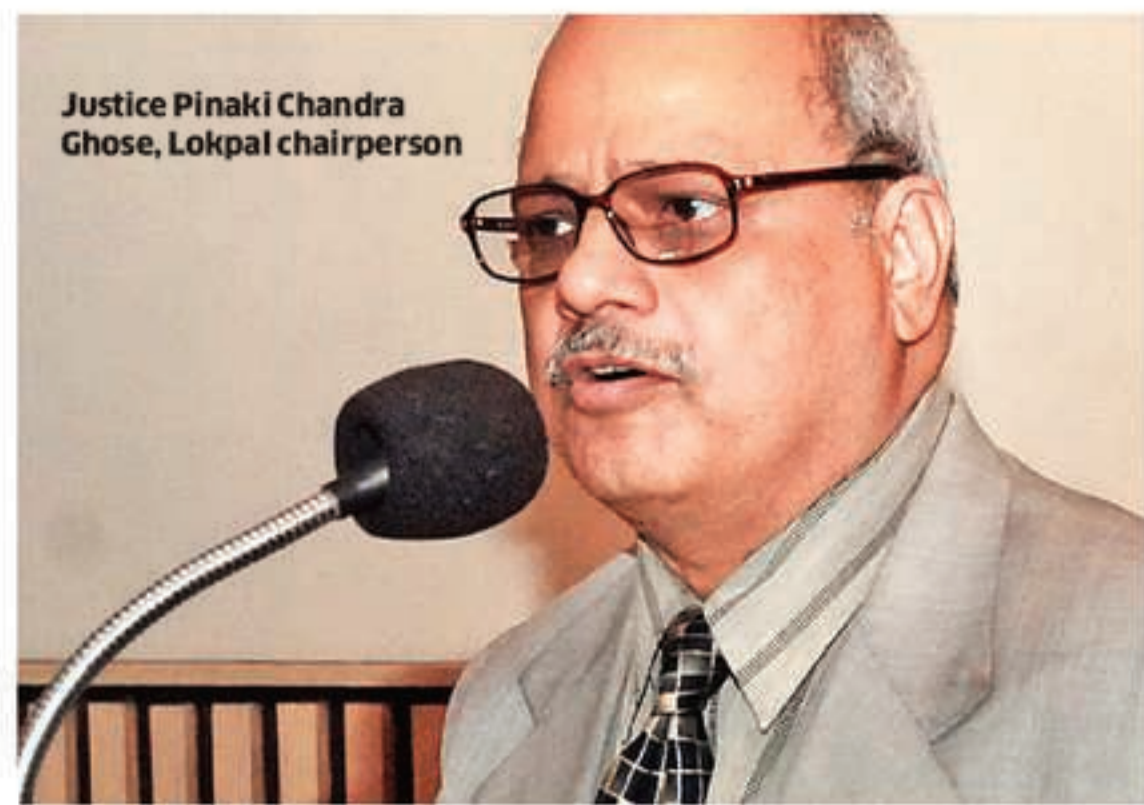
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Lokpal likely to Seek Affidavit for Complaints against Public Servants

PROPOSED DRAFT RULE Complainants will face legal consequences if allegations turn out to be bogus, have to disclose identity, share address and contact numbers, says official



Justice Pinaki Chandra Ghose, Lokpal chairperson

GUIDELINES

The draft rule, if approved, will have to be notified by the department of personnel and training

contact numbers. They may also be asked to give an affidavit that the case details are genuine, the official said.

The draft rule, if approved, will have to be notified by the department of personnel and training.

The Lokpal has jurisdiction to inquire allegations of corruption against present and former prime ministers, union ministers, members of parliament, as well as central government officials.

The move to have a declaration is an improvement on the existing Central Vigilance Commission (CVC) guideline that bars the go-

vernment from acting against its employees on anonymous and pseudonymous complaints.

A form listing the rules for filing complaints will be made public soon. As per the official website of the Lokpal, the anti-corruption body had decided to scrutinise all complaints received in its office till April 16, 2019 "in whatever form they were sent". After scrutiny, complaints that did not fall within the mandate of the Lokpal were disposed off and complainants are being informed accordingly, it stated.

The Lokpal, operating from a makeshift office at Ashoka Hotel, is also scouting for a permanent place to house its staff. The government, according to sources, has offered some space in the NDMC building near Jantar Mantar, but that may not be adequate to accommodate the employees of Lokpal, which is far from becoming fully functional. Although the chairman and eight other members of the Lokpal were sworn in in March, the DoPT is yet to give a panel of names for selection of secretary to look after its administrative affairs.

Dalip Singh
@timesgroup.com

New Delhi: A person who lodges a complaint against a public servant with anti-corruption ombudsman Lokpal may have to give an affidavit on the charges made, according to people familiar with the rules be-

ing drafted to ensure that the independent body is not misused to settle personal scores.

Complainants will face legal consequences if their allegations turn out to be bogus, a top official aware of the draft rule told ET, adding that complainants will have to disclose their identity, share address and

DECISION AMID INTERNAL DEMANDS FOR A NUMERO UNO CONTROLLER

Twin Leadership to Continue in AIADMK

No question of a single leadership. The current style of functioning will continue: spokesman Jayakumar

Bharani Vaitheesvaran
@timegroup.com

Chennai: The ruling AIADMK in Tamil Nadu fended off a threat to its twin leadership structure, comprising Edappadi K Palaniswami and O Panneerselvam, amid internal demands for a numero uno controller for the party similar to the regimes under past icons J Jayalalithaa and MG Ramachandran.

This suggests that the current pattern of leadership and decision-making would continue, at least in the near future. "There is no question of a single leadership for this party. The current style of



functioning will continue," said D Jayakumar, the state fisheries minister and party spokesperson, whose views were echoed by several leaders and ministers who at-

tended a high-profile meeting held in Chennai on Wednesday. Immediately after the district secretaries' meeting, the AIADMK sent out a missive, instructing spo-

kespeople and party functionaries to refrain from speaking about party affairs in public. According to a senior party member present in the meeting, the leadership clearly indicated that controversial issues such as the need to revert to a sole leadership structure would not be discussed at the meeting.

The issue of single leadership has become a hot topic after Madurai North MLA Rajan Chellappa stressed on the need for a "charismatic" leader and not a dual leadership for the party. His assertion was seconded by Kunnam lawmaker RT Ramachandran, who pushed for a "unitary leadership" in a video message.

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Addendum/Corrigendum, if any, will be published in the above mentioned websites only.

Heatwave Warning for Telangana till June 16

Hyderabad: The India Meteorological Department (IMD) on Wednesday issued a warning that severe heatwave conditions will likely prevail at isolated pockets over Telangana on Thursday. The IMD added that heatwave conditions will likely prevail at

few places in some districts from June 14 till June 16. The forecaster further said that thunderstorms, accompanied with gusty winds (30 to 40 kmph) and lightning, will very likely occur at isolated places over the state on June 15 and June 16. The weather agency advised peo-

ple not to expose themselves directly to sunlight and also take necessary precautions.

On Wednesday, Khammam and Ramagundam recorded the highest maximum temperature of 43.6 degree Celsius each in Telangana while Hyderabad recorded 37.7 degree Celsius. — PTI

Defector MLAs Slam Cong, Argue Merger as per Law

Say Congress allegations that defectors were lured into joining TRS 'baseless'

PTI

Hyderabad: Twelve Congress MLAs in Telangana, who recently joined the ruling TRS, on Wednesday hit back at the opposition party's state leadership for its attack on them, saying their action was in accordance with constitutional provisions. The Congress alleged that they had been lured into joining the TRS and approached the High Court, challenging their "merger" with the TRS Legislature Party.

MLA Gandra Venkata Ramana Reddy, flanked by other Congress MLAs who joined TRS, said they joined the ruling party as per provisions of the Constitution. "We, 12 MLAs, met Speaker on 6th of this month. It is clearly said in X Schedule of Constitution that if 2/3rd of MLAs wish, they can merge. Accordingly, we met the Speaker on 6th (of June) and gave a letter," he told reporters.

"We requested the Chief Minister to admit us into TRS Legislature Party. As per that letter, Speaker allowed us to be admitted, for merger," he said, adding that they did not join the TRS till June 6. He dismissed Congress leaders' allegations that they were lured into joining the TRS. "Congress party leaders' comments are surprising. (They say MLAs) joined after being offered inducements, purchased or out of fear. We are not kids to be made to fear. We are not the ones to fall for inducements. We are not sheep or buffaloes to be purchased," Reddy said.

He said the allegations of Congress were baseless, adding that the 12 MLAs would not hesitate to file a defamation suit for allegedly indulging in their character assassination. The Congress should introspect why it is fail-



ing in elections that took place since TRS came to power in 2014, whether it is elections to Greater Hyderabad Municipal Corporation (GHMC), Assembly polls in December last year, Lok Sabha polls or the recent rural local body polls, he claimed. He queried why several other Congress leaders quit the party and joined the TRS or other parties. The reasons for defeat cannot be blamed on EVMs as ballot papers were used in local body polls, he said.

Referring to criticism made by BJP leaders against them, Reddy said Prime Minister Narendra Modi, during the recent Lok Sabha campaign in West Bengal, said 40 TMC MLAs are in touch with BJP. Two MLAs of Maharashtra withdrew Gomantak Party merged with BJP in the aftermath of death of Chief Minister Manohar Parrikar in Goa, he said.

"BJP people here are also saying something. See (what happened) in Goa, Bengal, Tripura. So, there cannot be one rule for you and another one for us. I am reminding what the Prime Minister of India spoke during the recent polls. We took our decision as per Constitution," Reddy said.

Inmates Turn RJs in Prisons across Telangana

PTI

Hyderabad: From enabling prisoners to explore their creativity and providing them entertainment, the Telangana Prisons Department has started inhouse FM radio facilities at jails across the state, where inmates don the role of radio jockeys. As part of a scheme to reform and rehabilitate prisoners, the department began the project wherein select inmates will be trained to run the FM radio station 'Antarvani' (inner voice).

Inmates operate the FM radio station, make announcements on the jail's timetable, and play patriotic, devotional and folk music for fellow prisoners. "Our main aim is their reformation and rehabilitation. Once they get back to the mainstream, they should be good gentlemen. So we started several initiatives and this (radio stations at jails) is another one," V K Singh, director general (prisons and correctional services) said.

EAST CENTRAL RAILWAY

E-Tender Notice
E-Tenders are invited for execution of the following works by Divisional Railway Manager (Engg.), E.C. Railway, Dhanbad:-

Sl. No. 1. E-Tender No. : 143-DHN-2019-20 Name of the work with its location & completion period : Pradhankhanta-Bhujaldih-CTRP (P) = 11.746 Km, TTR(P) = 0.659 Km., Kushunda-Teliaman Link-CTRP (P) = 4.09 Km. 12 (Twelve) Months. Approx. cost of work (In Rs.) : 3,25,53,987.37 Earnest Money (In Rs.) : 3,12,800/- Sl. No. 2. E-Tender No. : 144-DHN-2019-20 Name of the work with its location & completion period : Resurfacing of wheel burnt rail and scabbed rails, cupped wheels on using Micro Flow Thermal Spray Technology as approved by RDSO/LKO in the jurisdiction of AEN/BRKA under Sr. Divisional Engineer (3) E.C. Rly., Dhanbad. 06 (Six) Month. Approx. cost of work (In Rs.) : 28,81,691.79 Earnest Money (In Rs.) : 57,600/- Sl. No. 3. E-Tender No. : 145-DHN-2019-20 Name of the work with its location & completion period : Increase of CSR of running line by shifting of Track Circuit and related work over Dhanbad Division under Sr. Divl. Engineer (3) E.C.Rly., Dhanbad. 12 (Twelve) Month. Approx. cost of work (In Rs.) : 32,24,241.53 Earnest Money (In Rs.) : 64,500/- Sl. No. 4. E-Tender No. : 146-DHN-2019-20 Name of the work with its location & completion period : Hitting of 01 No. inova, Marrazo, Taveira or similar type of AC road vehicles for 12 Hours Per day along with driver, fuel on hire basis for AENs for Sr. Divisional Engineer (Co-Ord.) E.C. Rly., Dhanbad. 20 (Twenty) Month. Approx. cost of work (In Rs.) : 9,88,822.00 Earnest Money (In Rs.) : 19,800/- Sl. No. 5. E-Tender No. : 147-DHN-2019-20 Name of the work with its location & completion period : Ballasting of track including 250 mm deep screening for loop yard line at PSB, KCR & C.J. Yard (9.5 Km) under Asstt. Engineer, E.C. Rly., Guwahati. 08 (Eight) Months. Approx. cost of work (In Rs.) : 27,24,691.36 Earnest Money (In Rs.) : 54,500/- Sl. No. 6. E-Tender No. : 148-DHN-2019-20 Name of the work with its location & completion period : Construction of Running Room at HZBN under Asstt. Divl. Engineer, E.C. Rly., Koderma. 11 (Eleven) Months. Approx. cost of work (In Rs.) : 2,76,13,727.10 Earnest Money (In Rs.) : 2,88,100/- Sl. No. 7. E-Tender No. : 149-DHN-2019-20 Name of the work with its location & completion period : (Balance Work)-Dhanbad Division:- Pradhankhanta-Bhujaldih-CTRP (P) = 11.746 Km, TTR(P) = 0.659 Km., TTR (FS+CS+CMSC)=7 Sets, TBR=88.87KM, TTR (CS+CMSC)=111 Sets, SEJ-118 Sets, TRDS-6 Sets, TFR-114.81 Km under Sr. DEN/2/DHN. (Balance quantity: TBR=25.00Km & TFR=114.81Km). 08 (Eight) Months. Approx. cost of work (In Rs.) : 1,21,11,461.35 Earnest Money (In Rs.) : 2,10,600/- Sl. No. 8. E-Tender No. : 150-DHN-2019-20 Name of the work with its location & completion period : Repairs to leaky roof of staff quarters by APP at Barkakana under AEN/EC Rly./ Barkakana. 12 (Twelve) Months. Approx. cost of work (In Rs.) : 86,71,992.07 Earnest Money (In Rs.) : 1,77,440/- Date & Time for closing and Opening of e-tender : Date of closing of e-tender at 17-00 hours on 10.07.2019. Date of opening of e-tender from 12.00 hrs. on 11.07.2019. Website particulars : <http://www.ireps.gov.in> No manual tender will be accepted against e-tendering.

Divisional Railway Manager (Engineering), PROR473DHN/ENGG/719-2019/2

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TENDER No: HMTI/PROJ/LIB/BUSES-FIRETRUCKS/01/2019 Dated 03-06-2019
CLOSING DATE & TIME FOR SUBMISSION: 25-06-2019 @ 14.00 hrs
Contact: Joint General Manager, Projects E-Mail: projects@hmti.co.in Phone: 080-23339060
For further details visit: www.hmti.com or <https://eprocure.gov.in/epublish/app> (under Organization: HMT Ltd. & Department: HMT International Ltd.) All corrigendum(s) if any shall be placed only on www.hmti.com or <https://eprocure.gov.in>

SVC CO-OPERATIVE BANK LTD. (Multi-State Scheduled Bank) ESTD 1968

NOTICE
In the notice of the 113th Annual General Meeting of the members of SVC Co-Operative Bank Ltd., it has been mentioned in Sr. No. 8 about the amendment to the Bye-laws, which is more particularly specified in Annexure 'A' to the Annual Report from page Nos. 53 to 59.

Pursuant to review of the Annexure 'A' once again, it has been decided to withdraw the amendment suggested vide Sr. No. 45 of the Annexure 'A', having reference to Bye-law No. 49 (iii), appearing on page No. 59 of the Annual Report.

Therefore, Sr. No. 46 will now become Sr. No. 45 and other than the above, all proposed amendments to the Bye-laws are to be read, interpreted and construed in the manner it has been specified in the Annexure 'A'.

BY ORDER OF THE BOARD OF DIRECTORS
sd/-
Ajit E. Venugopalan,
Managing Director
Date : June 11, 2019
Registered Office: SVC Tower, Jawaharal Nehru Road, Vakola, Santacruz (E), Mumbai - 400 055

GREATER NOIDA INDUSTRIAL DEVELOPMENT AUTHORITY
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Website: www.greaternoidaauthority.in E-mail : authority@gnida.in

Letter No.: GM(P/K)/2019/03A Dated: 11.06.2019
E-TENDERING TENDER NOTICE

General Manager (Project-K), Greater Noida Industrial Development Authority (GNIDA) on behalf of CEO invites E-Tender Notice via Letter No. GM/Project/K/2019/03 Dated 11.06.2019 against Serial No 1 for Construction of 80 mld S.T.P. at Sector-1 in Greater Noida. The prospective bidder are advised to visit Greater Noida Development Authority Website: www.greaternoidaauthority.in & E-Portal <https://etender.up.nic.in> for terms & conditions of the work along with any additional Notice, change or rectification.
General Manager (Project)

NORTH EASTERN RAILWAY Notice Inviting Tender

Senior Divisional Commercial Manager, Lucknow invites Open tender through E-tendering system on behalf of President of India invites sealed open tender from Advertising Agencies in prescribed proforma to permit three years contract of sole advertising right for commercial publicity at Gomtinagar Station of Lucknow Division, payment of EMD and Tender Fees is paying through net banking or payment gateway.

Details of Trains & Tender notice no, Reserve Price, EMD and Cost of bid document are as under-

S. No./ Tender Notice No.	Description of works	Estimated Value for 01 year (Reserve price in Rs)	Cost of Earnest Money Deposit (in Rs) through online payment	Cost of Tender Documents (Non-Refundable) (in Rs) through online payment
1/12-2019-GTNR-SOLERIGHT	Sole right advertisement of GOMTINAGAR (including Level crossing) station for 03 years	₹16,55,745/-	₹99400/-	₹ 3000/-

Date and Time of Closing of Tender - Up to 14.00 hrs on 12.07.2019
Date and Time of Tender Opening - Up to 15.00 hrs on 12.07.2019
Validity of Tender - 45 days
Period of contract - 03 Years
Web Site address - www.ireps.gov.in
CPRO /C-46 Divisional Railway Manager (Commercial), Lucknow
About any passenger amenity complain SMS on Mobile No. 09794845955
"Never travel on roof and foot boards"

vedanta transforming elements

SUPPLY OF COAL

TALWANDI SABO POWER LIMITED
Registered Office: Village Banawalia, Mansa Talwandi Sabo Road, Distt. Mansa (Punjab) 151302
CIN: L40101PB2007PLCO31035

EXPRESSION OF INTEREST

Vedanta Limited (formerly known as Sesa Sterlite Ltd./Sesa Goa Ltd.), a subsidiary of Vedanta Resources Limited, is one of the world's leading diversified natural resources companies, with business operations in India, South Africa, Zambia, Namibia, Ireland and Australia. Vedanta is a leading producer of Oil & Gas, Zinc, Lead, Copper, Iron Ore, Aluminium and Commercial Power.

S.N.	Work Description	Response to be sent to
1	SUPPLY OF 500+/-3% KT IMPORTED/DOMESTIC NON - COKING COAL ON FOR DELIVERED BASIS	Tender document shall be made available by 14 th June 2019 at http://tsplindia.co/tender.htm . Interested bidders who are qualifying eligibility criteria shall respond to tspl.fuel@vedanta.co.in and submit their bids by due date and time as per tender.

Please note that all further amendments/updates in relation to bidding process shall be available at TSPL website. It shall be responsibility of the bidders to regularly visit website for checking amendments / updates (if any).

TODAY ON **ETPrime.com**

Alternative Works

High-net-worth investors have been making a beeline to AIFs, funds that invest predominantly in private equity, venture capital, and hedge funds. AIFs have seen explosive growth with their number nearly doubling since 2016 and investments shooting up by 78% year-on-year in FY19.

Automation Star

Automation Anywhere, founded by four Indians and backed by blue-chip investors, has quietly emerged as one of the superstars of robotic process automation. Its playbook offers a peek into what a globally competitive Indian-origin multinational might look like in the AI-led digital era.

US and Them

The Trump administration has repeatedly accused Huawei, the world's largest maker of telecom network gear, of potentially spying for Beijing. It has been pressing allies to exclude the company from supplying equipment for their 5G networks.

Eye on Data

BharatPe, which allows merchants to accept UPI payments for 'free', sees payments as only a starting point. It aims to gather merchants' data and create a lending business based on that.

Pitch Report

India's the 2nd Largest Internet User Base Now

Helmed by Reliance Jio, India is home to the world's second largest internet user base, accounting for 12% of all internet users globally, the 2019 Mary Meeker report on Internet Trends said. Jio is one of the most innovative internet firms based outside the US, it added. "At 3.8 billion, the number of internet users comprises more than half the population," it said. —PTI

Ducati Drives in Hypermotard 950 at ₹12L



Volkswagen Group-owned Italian motorcycle brand Ducati on Wednesday launched the new Hypermotard 950 in India at an ex-showroom price of ₹11.99 lakh. "It's a perfect choice for riders who're looking for a thrilling yet sophisticated motorcycle," said Sergi Canovas, MD, Ducati India. The company imports some of its models from its facility in Thailand with which India has a free trade agreement.

—OUR BUREAU

Reckitt Names Laxman Narasimhan as Global CEO

Narasimhan to step into the shoes of another Indian, Rakesh Kapoor, at the British firm

Ratna.Bhushan@timesgroup.com

New Delhi: Reckitt Benckiser Group (RB) on Wednesday named Indian executive Laxman Narasimhan (in picture) as global chief executive, succeeding outgoing chief executive Rakesh Kapoor. Narasimhan, the second Indian to take up the top job at the British healthcare giant after Kapoor, joins RB from beverages and snacks maker PepsiCo where he is currently global chief commercial officer responsible for the US giant's long-term growth strategy. He holds a degree in mechanical engineering from College of Engineering, University of Pune, is an MA in German and International Studies from The Lauder Institute at the University of Pennsylvania, and an MBA in Finance from The Wharton School. Narasimhan, 52, will join RB as

meaning of these word." Bajaj added: "It was clear early on that he would make it to the top on a global platform...we're all so proud that he has and he's done that with his trademark chuckle at all times despite adversities."

On whether the choice of picking an Indian at the helm was a decider since outgoing CEO was also Indian, Sinclair said the process was not influenced by the country of origin. "However, my personal experience has been good for Indian CEOs," he said.

For the maker of Dettol antiseptic, Air Wick air freshener and Nurofen, Strepsils, Gaviscon and Mucinex over-the-counter products, Narasimhan's immediate mandate will be restoring topline performance. Kapoor, who moves out of RB after eight years, has had a few difficult few years off late after a successful initial stint. The downfalls included a cyberattack,



Joins Reckitt from PepsiCo, where he is currently the global chief commercial officer

a safety scandal in South Korea and sluggish performance of core brands like Nurofen and production glitches.

RB's shares have lost about one-fifth of their value since they hit peak in 2017. Kapoor also led the \$17 billion acquisition of US baby formula maker Mead Johnson, and split the firm into health and home and hygiene. RB's shares traded 1% lower on Wednesday in London. "While Rakesh is leaving a very strong legacy, we hope Laxman will bring in some new dimensions and drive growth further," Sinclair said. He said improved performance in the health business, and leading the split in its health and home-care divisions will be the new CEO's key priority.

India, a top five market for RB, will continue to be one of its core strategic markets, Sinclair said. "Anytime

you have a stability and a majority mandate, it's very positive for the economy," he said about the strong mandate with which the PM Narendra Modi-led NDA returned to power: "Narasimhan is a core finance person; that's always been his strength both at PepsiCo and previously at McKinsey," said a chief executive of a leading FMCG company who has interacted with him closely. Before joining PepsiCo in 2012, Narasimhan was with McKinsey for 19 years across various markets including India.

While at PepsiCo, Narasimhan has been member of its executive committee for the last four years and has led functions like strategy and R&D, he never held an assignment at PepsiCo India.

He was speculated to be among one of the contenders for the top job at PepsiCo after Indra Nooyi stepped down in August 2018.

Old-world Brands Shed Inhibitions to Go into the Millennial World

Cos reposition products as wellness and health become a priority for Indians

Ratna.Bhushan@timesgroup.com

New Delhi: Some of the country's oldest and biggest brands, including Lux, Dettol and Cadbury Dairy Milk, are moving out of their comfort zones to respond to increasing consumer consciousness about wellness and health as well as an intensely competitive marketplace.

Hindustan Unilever, the largest consumer products maker in the country, is in the process of extending its popular soap brand Lux into the herbal and natural segment with a Lux Botanicals range. Earlier this week, Cadbury Dairy Milk, the oldest and most popular chocolate brand in the country, was introduced in a 30% less-sugar variant in the first such move globally for brand owner Mondelez.

Reckitt Benckiser, maker of Dettol soap, has launched a first-time chemicals-free range of Dettol soaps and handwash devoid of parabens, dyes and talc. "We went ahead of the curve for this range, to offer mothers exactly what they want," said RB South Asia (health) chief marketing officer Pankaj Duhan.

The UK-based healthcare and consumer products maker had researched extensively with 800 mothers and the mandate was they wanted lesser chemicals, didn't want ingredients they don't understand, and no compromise on germ protection. "We may branch out into different categories depending on how these pan out, but right now these are our focus," Duhan said.

India is among the top five markets for Reckitt Benckiser. Dettol has more than 10% market share in value terms in the bar soap category while in the smaller hand-wash category it has 45-50% share. "There is a fundamental shift happening in consumer consciousness, and brands are following the trend, not leading it," brands specialist Santosh Desai told ET. "Brands are moving from the super-performance jargonised language of over-night results claims, to products that are more aligned to natural, herbal and healthier claims."

For Mondelez, introducing a 30% less-sugar variant of Cadbury Dairy Milk is its biggest bet yet. "This is the first time ever we are doing something like this; we are

Winds of Change



empowering consumers to snack right and this is our biggest innovation for the brand in the country," Mondelez India president Deepak Iyer said.

The 70-year-old Cadbury Dairy Milk contributes about 50% to Mondelez's India business.

Dairy Milk has become the first brand in the Rs 10,000-crore domestic chocolate market to reduce sugar to such a large extent, in line with the chocolate maker's global commitment to reduce sugar and national food regulator FSSAI's 'eat right' initiative for packaged foods companies. The existing Cadbury Dairy Milk will continue to sell in its current form.

An HUL spokesperson said, "There is a segment of consumers who are interested in using herbal and natural products and we have launched several brands and products to cater to this consumer segment."

Over two years back, HUL had made a splash in the ayurvedic personal care products space under its smaller Lever Ayush umbrella to take on Baba Ramdev's Patanjali brand of Ayurveda products. Lux is a big leap into this space. The spokesperson said the company is "constantly innovating its portfolio and creating categories of the future".

Marketing and retail experts believe the risks are worth it.

'Fresh Investments in India to Depend on EV Roadmap'

2025 is too early to change over completely to electric below 150 cc. We need to discuss further by including Siam members, govt (representatives), to find out a proper roadmap to change over to EV.

MINORU KATO, HMSI president & CEO

Sharmistha.M@timesgroup.com

New Delhi: Honda Motorcycle & Scooter India (HMSI) will reconsider putting in additional money in production capacity for the local market depending on the government's roadmap to go electric.

HMSI CEO Minoru Kato said the project to expand capacity at the company's fourth facility in Gujarat is on track, but further investments would be made primarily on new introduction of new models. "At this time, investment (post capacity expansion at Gujarat) is under consideration depending on the roadmap for electric... We are going to continue to invest in new features, new models, new technology to introduce to customers. But we need to reconsider production capacity," said Kato.

HMSI is in the process of investing ₹630 crore to add an additional production line with annual capacity of 600,000 units in Vithalapur, Gujarat. The new production line will come up by 2020 and take total output to seven million units for the company. Kato, who expects demand to pick up in the domestic two-wheeler market towards the end of the second quarter and is confident of long-term growth prospects, feels the government's proposal to go all-electric in the two-wheeler space is premature and unrealistic.

"We understand the government's direction. But because of BS VI regulations, not only manufacturers

but many parts suppliers have been making big investments. 2025 is too early to change over completely to electric below 150 cc. We need to discuss further by including SIAM members, government (representatives), to find out a proper roadmap to change over to EV."

Over the past few days, senior industry leaders from Hero Moto-Corp chairman Pawan Munjal, Bajaj Auto managing director Rajiv Bajaj to TVS Motor Company chairman Venu Srinivasan have all voiced similar sentiments.

Globally, Honda is working on developing electric vehicles, and had introduced models in Japan, Thailand, Indonesia and Vietnam. But volumes have remained limited because of high prices. HMSI, though, does not have any plans to introduce an electric two-wheeler in the Indian market at present given the high cost structures and challenges stemming from lack of adequate infrastructure.

"In the case of India, many customers have been driving more distance than other countries. So, EV is a big challenge for us — how to meet the customer expectations," said Kato. He said a collaboration such as the one between Honda, Kawasaki, Suzuki and Yamaha in Japan would be helpful but no plan or discussions to this end has been initiated.

HOLD EXPLORATORY TALKS AMID HUAWEI CONCERNS

Voda Idea, Airtel Turn to Samsung for 4G/5G Tech

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New Delhi: Vodafone Idea and Bharti Airtel have initiated separate "exploratory talks" with South Korea's Samsung to source equipment for their 4G networks and future 5G deployments, even as uncertainty looms over the future of Huawei in India, after a US ban on the Chinese vendor.

Both Bharti Airtel and Vodafone India don't want to get stuck with just two vendors — Ericsson and Nokia — in case of a ban on Huawei, as there could be demand and supply issues as well in such a scenario, a person familiar with the strategy of one of the two telecom companies said.

"They want to keep their options open with Samsung. ZTE (also from China) is there, but the telcos wouldn't want to go big with it... telcos want to diversify when it comes to vendors," the person said.

A second person said Samsung was already getting "feelers" from telcos in India for both 4G and 5G technologies. "There are feelers on 5G. But, there are many steps required, including trials in India since commercial deployment has



some time to start in the country. Even on 4G, Samsung is getting feelers from the telcos."

Both market leader Vodafone Idea and Bharti Airtel operate in a multi-vendor environment, but the former's exposure to Chinese vendors, especially Huawei, increased lately after awarding new contracts to modernise and expand its 4G network in seven circles. Bharti Airtel uses Huawei's 4G equipment in several circles. Samsung so far works only with Reliance Jio Infocomm in India.

Bharti Airtel declined to comment, while Vodafone Idea and

Samsung didn't respond to ET's queries.

The Indian government has yet to take a final view on whether Huawei would be allowed to participate in 5G trials, and further in 5G commercial deployments. "There are security issues... it is not only a matter of technology where their participation in 5G is concerned," telecom minister Ravi Shankar Prasad told media last week.

The Department of Telecommunications (DoT), though, appears to be divided on the issue, given the sensitive nature of Sino-Indian diplomatic ties.

A section of the department believes the country can't depend on just two network equipment suppliers and point out that there were risks from European vendors as well. This section believes Huawei should be given an opportunity in the 5G trials, which will also allow India to scrutinise security vulnerabilities, if any. The other section, though, believes Chinese vendors are a serious security threat to India, given those companies are — under Chinese law — duty-bound to share information with the government there.

Medimix Maker Aims for ₹500 cr Sales this Year

Kochi: AVA Group, the manufacturer of Medimix soap, is targeting over 65% increase in its turnover from South Indian operations in the current fiscal year. "The vision of the company is to achieve a turnover of ₹500 crore sales volume this year," said managing director AV Anoop. The company, with six plants spread over Chennai, Pudukcherry and Bengaluru, posted a turnover of ₹300 crore last year.

The company, celebrating its 50th anniversary, has lined up a string of new products for the future. "We will launch hair oil, shampoo and body wash under Medimix brand within the next two years," Anoop said. The company produces 850 tonnes of soaps monthly and output crossed the 10,000-tonne mark in FY19.

Anoop said Medimix held an average of 5% market share among soaps across states. "In the category of ayurvedic soaps we are the market leader," he said. The group also owns Melam Spices, which it acquired a few years ago, and Kaytra beauty care products. The group recently forayed into the healthcare sector by starting a multi-specialty ayurveda hospital Sanjeevanam in Kochi. Anoop said the group has plans to set up a chain of such hospitals in Kerala. —OUR BUREAU

22KYMCO to Set Up Manufacturing Unit in Haryana, Unveils 3 Scooters

New Delhi: 22KYMCO — a joint venture between 22Motors and Kwang Yang Motor Company — (KYMCO) on Wednesday announced its plan to set up a manufacturing facility in Bhiwadi, Haryana, with an annual production capacity of 2 lakh units.

The company also launched three products in the premium maxi scooter segment for the Indian market including its electric two-wheeler offering, the iFlow priced at ₹90,000 (ex-showroom Delhi).

The other two models Like200 and the X-Town 300i ABS are priced at ₹1.3 lakh and ₹2.3 lakh respectively. All the three models will be available from September 2019.

"Our strategy in the Indian market is aligned with the electrification targets of the government. We will have electric solutions in two-wheelers below 150 cc and petrol-powered options in the premium category," said Parveen Kharb, CEO, 22Motors. — OUR BUREAU

Patanjali Ayurved's Turnover Sprint Hits a Slow Patch

After the sudden rise 3 years ago on the back of affordable Ayurvedic products, Patanjali has seen a major decline in sales over the last two financial years

Reuters

Haridwar: Three years ago, Indian yoga guru and entrepreneur Baba Ramdev was riding high.

The consumer goods empire he cofounded had tapped into a wave of Hindu nationalism after the election of Prime Minister Narendra Modi. Customers were snapping up Patanjali Ayurved's affordable, Indian-made products such as coconut oil and ayurvedic remedies, in a mounting threat to foreign companies that had bet big on India. "Turnover figures will force multinational companies to go for kapalbhati," saffron-robed Ramdev declared in 2017, in reference to a yoga breathing exercise, vowing sales would more than double to 200 billion rupees (\$2.84 billion) in the year to March 2018. But instead Patanjali's sales

plunged 10% to ₹81 billion, according to its annual financial report. And in the last fiscal year, it likely deteriorated further, say company sources and analysts. Provisional data indicated sales of just ₹47 billion in the nine months to December 31, CARE Ratings said in April, based on information from Patanjali.

According to interviews with current and former employees, suppliers, distributors, store managers, and consumers, Patanjali's ambitions have been hobbled by missteps. In particular, they highlight inconsistent quality as Patanjali expanded very quickly. The company says its rapid expansion did bring some teething problems, but that they had been overcome.

Patanjali also suffered, like many others, from Modi's 2016 ban on high-denomination banknotes and 2017 introduction of a new goods

and services tax. The moves disrupted economic activity.

PROBLEMS WERE EXPECTED

Patanjali says it has 3,500 distributors that supply some 47,000 retail counters across India. Patanjali shops, mostly popular with rural Indians rising into the middle class, sell snacks like mango candy or ayurvedic remedies promising to cure joint pain.

Ramdev, a household name whose TV yoga shows are watched by millions, has been the public face of Patanjali since it was set up in 2006 and remains its brand ambassador. His bearded faces miles down from ubiquitous billboards and hoardings in Indian villages.

But the company is owned by his business partner Acharya Balkrishna, who met Ramdev at a Sanskrit school three decades ago and holds 98.55% of Patanjali's



shares, according to a 2018 company filing. The 46-year-old Balkrishna, whose net worth Forbes puts at \$4.9 billion, brushed aside concerns about the company's health during an April interview at one of Patanjali's yoga centres near Haridwar.

"We suddenly expanded, we started three-four new units, and so problems were expected. We have solved that network problem," said Balkrishna, referring to supply chain issues that affected deliveries. The problems were concentrated in "set-up and networking", he said, without elaborating.

One ex-employee said issues included not having long-term deals with transporters, which complicated planning and increased costs. Patanjali ex-

ecutives also lacked the software needed to effectively track sales, another former worker said.

Balkrishna declined to give sales estimates for the current fiscal year or last but said future results would be "better".

Reuters sent follow-up questions to Patanjali's public relations officer KK Mishra, who said the queries had been forwarded to a special committee. Calls and messages to Balkrishna's assistant about the queries went unanswered. As Patanjali has ramped up its offering to more than 2,500 goods, it has prioritised scale over quality and farmed out production to third parties, which has dented quality, two former office executives and a supplier said.

In 2017, Nepal's drug watchdog found that six Patanjali medical products had microorganism content above a maximum ceiling set by the regulator. Santosh KC, an official at Nepal's Department of Drug Administration, said there were no problems with other Patanjali products.

Balkrishna denies there have been quality issues, noting that India's national laboratories accreditation board has approved Patanjali's central lab. "Quality is not a problem," Balkrishna said. Patanjali products marketed as ayurvedic come under the regulatory purview of the Ministry of Ayush, created in 2014 to promote alternative therapies including Ayurveda, an ancient Hindu healing method. The ministry did not respond to a request for comment on Patanjali's product quality. Food regulator FSSAI, which oversees Patanjali's processed foods, declined to disclose data on quality tests, saying it only did so in the event of safety concerns.

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Tweet OF THE DAY



RICHARD BRANSON
@RICHARDBRANSON
If you have an idea for a business which is keeping you up at night, it would be such a shame to waste it

Tech Buzz
JBL launches LIVE Series Headphones



Bengaluru Audio equipment maker JBL by HARMAN's International Industries, owned by South Korean tech major Samsung Electronics on Wednesday launched its 'LIVE Series' of headphones. The newly launched series has improved Google Assistant, Amazon Alexa, the devices sport aluminium finish and light form factor. "Smart headphones are the future of audio and we will continue to lead this category with the new Live series," HARMAN India country manager Pra-deep Chaudhry said. —IANS

Quick Byte ANIRBAN BORA

Zomato Drone Tests Food Packet Delivery at 80kmph



Bring Home the Bacon!

86% of new users stop using 'Food Delivery' apps within two weeks of the first launch —IANS

Apple's iCloud for Windows 10



San Francisco Apple's iCloud is now available for Windows 10 users to download from the Microsoft Store. The offering introduces a new iCloud Drive experience for Windows 10 users powered by the Windows technology to boost users' offline productivity and allow quick file exchanges on iPhone's iOS, Giorgio Sardo, Engineering General Manager for Microsoft 365 Developer Ecosystem wrote in a blog post on Tuesday. —IANS

Jumbotail Gets ₹90 crore

Bengaluru: Jumbotail, an online wholesale marketplace for food and grocery products, has raised ₹90 crore in a Series-B round led by Heron Rock to fuel its expansion plan. The funding saw participation from Capria Fund, BNK Ventures, William Jarvis and existing investors Nexus Venture Partners and Kalaari Capital.

Jumbotail offers services including mobile-based ordering application for kirana stores, an integrated supply chain network, and last-mile storefront delivery service. The startup also offers integration with point-of-sales (PoS) terminals, helping retailers in the unorganised sector to run their business through technology.

Jumbotail will use the funds to extend its market leadership by investing in artificial intelligence-driven operational excellence in supply chain, forward integration of the Jumbotail platform with PoS, integrating backward to farmers, getting on board new FMCG brands, and expanding its team. —Our Bureau

Jargon Buster

Hairpin
Refers to telephone systems & the process of sending a call back in the direction of its point of origin. If a call cannot be directed over IP to a gateway closer to the target telephone, the call is often redirected

L&T Confident of Taking Control of Mindtree: Naik

CONTROL SHIFT L&T boss AM Naik says once the offer for 31% in Mindtree is complete, his company will gain majority and with IT firm's ind directors giving a thumbs-up to offer, road seems to be clear

Mumbai | Bengaluru: Larsen and Toubro (L&T) will soon garner more than 40% stake and pursue its open offer for Mindtree, chairman AM Naik said, even as he criticised the sustained hostile approach to the takeover by the founders of the mid-tier IT services firm.

"The engineering giant has ramped up its stake in the Bengaluru-based company to 28.9% currently and its open offer to buy a further 31% will open on June 17 and close June 28. "We have committed ₹4,000 crore already into this deal and we will not let anything stop us. There are no Sebi (Securities and Exchange Board of India) or regulatory concerns raised around it. The deal will be completed successfully," Naik told ET.

Mindtree's founders, who own a combined 13% stake in the company, have termed L&T's takeover "hostile".

"Mindtree had a golden opportunity to combine with L&T to be part of a growth story, but it has stubbornly been hostile about it," Naik said.

"We have categorically said that this is not a hostile offer. But when an opportunity presents itself to us when one of the early investors, Siddhartha, approached us three times for the deal, are we supposed to ignore it?"

Mindtree chairman Krishnakumar Natarajan and CEO Rostov Ravanan did not answer calls seeking a response to Naik's comments on the deal. In March, L&T signed an agreement with Cafe Coffee Day Chairman VG Siddhartha to buy his 20.32% stake in Mindtree. L&T bought the shares in a block deal at ₹980 per share in April. Since then, L&T has also bought from the open market to shore up its holding.

Naik said L&T did extend a hand of friendship to Mindtree's promoters, including an offer to make Natarajan the "chairman of the combined entity", but they have stuck to their hostile approach. "But, that doesn't deter us," he said.

"We have made an open offer at the best price and we are going ahead with our plans to acquire it. We are confident of the deal and will not let such speculations distract us," said Naik.

On Wednesday, Mindtree's independent board members said the open offer was "fair and reasonable". Separately, ET reported on Tuesday that a few institutional investors of L&T and Mindtree have written to Sebi against an alleged move by Pulak Prasad, the founder of storied investment manager Nalanda Capital, to provoke minority investors in Mindtree to spurn L&T's open offer.

The investors have complained to the market regulator that Prasad was effectively acting in concert with the promoters of Mindtree in an attempt to persuade institutional shareholders such as Arohi Asset Management to hold back from tendering shares in the open offer.

WE SAID YES!
When one of the early investors, Siddhartha, approached us three times for the deal, are we supposed to ignore it?

Mindtree Independent Directors say L&T Offer 'Fair & Reasonable'

They also say the open offer of ₹980 per share is in accordance with Sebi's takeover rules

Jochelle Mendonca & Ayan Pramanik

Mumbai | Bengaluru: Independent directors of mid-size IT services firm Mindtree have said engineering conglomerate Larsen & Toubro's (L&T's) open offer of ₹980 per share 'appears to be fair and reasonable' and is in accordance with the market regulator's takeover rules.

"The shareholders of the target company are advised to independently evaluate the open offer and take an informed decision about tendering equity shares held by them in the open offer," the independent directors — Apurva Purohit, Milind Shripad Sarwate, Bijou Kurien and Akshaya Bhargava — said in a filing to the Bombay Stock Exchange.

"This is perhaps the last hurdle before L&T in its quest to buy the Bengaluru-based IT company.

Mindtree's promoters, who own about 13%, have opposed the takeover, calling it "hostile" and saying it undervalues the software services exporter.

Mindtree Chairman Krishnakumar

ALL ON BOARD

MINDTREE PROMOTERS Own 13% stake

Have opposed the takeover, calling it "hostile"

Say it undervalues the software services exporter

The valuation of Mindtree's price of ₹980 is rich compared with the valuation of other listed Indian IT services companies

Shriram Subramanian, MD, InGovern

regulator Securities and Exchange Board of India (Sebi) in approving the draft letter of offer.

The committee of independent directors may have compared Mindtree's valuation with respect to peers before taking the decision, said Shriram Subramanian, managing director of InGovern, a proxy advisory and corporate governance firm. "The committee must have evaluated based on the analysis by ICICI Securities, one of the consulting agencies hired by Mindtree's IDC (independent directors' committee). The valuation of Mindtree's price of ₹980 is rich compared with the valuation of other listed Indian IT services companies," Subramanian said, adding Mindtree's promoters may try to convince investors not to tender their shares in the open offer.

In April, Mindtree's board appointed the panel, led by Apurva Purohit, to review L&T's open offer and recommend whether its shareholders would benefit by selling their shares. The panel engaged Khaitan and Co as its legal counsel and ICICI Securities as financial advisor to help take a decision.

Wholesale Marketplace Jumbotail Gets ₹90 crore

Bengaluru: Jumbotail, an online wholesale marketplace for food and grocery products, has raised ₹90 crore in a Series-B round led by Heron Rock to fuel its expansion plan. The funding saw participation from Capria Fund, BNK Ventures, William Jarvis and existing investors Nexus Venture Partners and Kalaari Capital.

Jumbotail offers services including mobile-based ordering application for kirana stores, an integrated supply chain network, and last-mile storefront delivery service. The startup also offers integration with point-of-sales (PoS) terminals, helping retailers in the unorganised sector to run their business through technology.

Jumbotail will use the funds to extend its market leadership by investing in artificial intelligence-driven operational excellence in supply chain, forward integration of the Jumbotail platform with PoS, integrating backward to farmers, getting on board new FMCG brands, and expanding its team. —Our Bureau

PoS Players Raise their Game as Biggies Enter Cards Space

Incumbents are building moats to protect their turf from disruption

Pratik.Bhakta@timesgroup.com

Bengaluru: The entry of Reliance Jio, Paytm and other new-age digital payment companies into the traditional card payments business has set alarm bells ringing in the sector, and incumbents are building moats to protect their turf from disruption.

Players such as Pine Labs, Innoviti Payments and Worldline are working on new technology-led devices to not only retain merchants, but also attract retailers from smaller cities into the digital payments fold.

PoS deployer Pine Labs is testing an Android-based smart payment terminal that offers an easy-to-use interface for merchants. It lets merchants showcase EMI offers, has a customer feedback mechanism and even scans barcodes and IMEI numbers.

Pine Labs is also working on an app-based payment platform for micro-merchants, which can accept wallets, cards and other payment modes. "We are shaping up Pine Labs as a merchant transaction platform which allows all forms of payments, facilitates lending, offers data analytics and much more," said Vicky Bindra, CEO, Pine Labs.

Bengaluru-based Innoviti Payments has started deploying Android terminals and has converted 2% of its existing user base into smart PoS terminals. It has set a target of taking this to 20% by March 2020.

"Innoviti has used 'ResponseNative' technology to develop an Android platform that allows each terminal's application to be configurable centrally," said Rajeev Agrawal, chief executive officer, Innoviti Payments. "Among small merchants, it is used for integrating billing and payments, and among organised ones it is for roaming checkout."

French payments company Worldline, which has a major presence in India, has also forayed into this segment and hopes to roll out smart devices this month. "The new devices will be a bit more expensive but will offer many services to the merchants like downloads of wholesale merchant apps and enable easy credit solutions for consumers," said Deepak Chandani, managing director, South Asia and Middle East, Worldline.

The incumbent players hope to use technology to create differentiated services and protect their business. "We are trying to create a moat through implementation of latest technology and high value addition so that the merchants' complete transaction needs are taken care of," said Bindra.

Tough Swipe

₹10,000-20,000 Cost of Smart PoS devices

₹70,000 Cost of traditional terminals

Industry executives feel a diverse market like India will need multiple players, even as they accept that the threat from disruptions is real

* Retail business can't be easily brought within the ambit of digital payments

* Players like Ezetap and Mswipe know it best since they have been targeting smaller merchants, kirana stores, roadside stores and others with their mobile PoS terminals for years

Uber in Talks with Govt to Elevate Flying-taxi Norms

Aggregator looks to launch Uber Air which includes aerial electric ride-hailing service

Washington DC: Ride hailing firm Uber has begun talks with the government to usher in a regulatory framework for flying taxis in the country, a top company executive told ET.

Over the last one year, the San Francisco-based company has held conversations with regulators in India and met with Prime Minister Narendra Modi, said Nikhil Goel, head of product, aviation at Uber, in an interaction with ET on the sidelines of an Uber Elevate event here.

Uber Elevate is an umbrella term for the company's initiatives to launch Uber Air, which include its aerial electric ride-hailing service and other ancillary air transport, for instance, food delivery.

Goel said Uber had also held discussions with former aviation minister Jayant Sinha to build aerial mobility infrastructure and framework, which have been positively received. "From a regulatory perspective, India has had a great start to aerial mobility, with the drone regulation being passed, so the future looks promising," he said. "The next step is to take a look at what the Federal Aviation Administration in the US and EASA (European Union Aviation Safety Agency) in Europe are doing with regard to passenger travel and decide on taking steps for that too," he said.

NIKHIL GOEL, Head of Product, Aviation, Uber

From a regulatory perspective, India has had a great start to aerial mobility, with the drone regulation being passed, so the future looks promising



ET GRAPHICS

Chandrayaan-2 Ready for Moonwalk

India's second mission to the moon, Chandrayaan-2, would be launched on July 15, Isro announced on Wednesday. The landing on the moon near the South Pole, an uncharted territory, would be on Sept 6 or 7. This is the Indian space agency's most complex mission so far



Women on Top
Mission Director - Ritu Karidhal
Project Director - Vanitha M

Mission Cost
₹603 crore

- Orbiter, Lander and Rover and 14 instruments. The cost includes fees for navigation services paid to foreign space agencies.
- Location chosen is on the polar region of the moon; less craters, has 18 degree slope and more chances of water
- Day is chosen because it is the start of the lunar day (14 earth days)

Mission objectives

- Quantify the water available on the moon's surface
- Explore minerals such as magnesium, iron and Helium 3
- Map its topography, explore minerals and chemicals on its surface
- Study top most part of the lunar atmosphere
- If successful, India will be the fourth country to land a rover on the moon.
- Indigenous mission, 13 instruments from India, one instrument from Nasa

Launcher

- GSLV Mk-3, India's heaviest rocket. 43 metres long, it has a lift-off mass of 640 tonnes and costs ₹375 crore
- Total weight is at 3.8 tonnes - integrated module with Orbiter, lander and rover including 14 instruments

Orbiter

2,379 kg
No of instruments 8
MISSION LIFE IS ONE YEAR IN ORBIT

Instruments include

- Terrain Mapping Camera - 2: Prepare detailed 3D map of the lunar surface
- Collimated Large Array Soft X-ray Spectrometer: Maps abundance of major rock-forming elements
- Orbiter High Resolution Camera: Provides high-res images of landing site
- Imaging Infra-Red Spectrometer: Identifies minerals & signatures of hydroxyl (OH) and water (H2O) molecules in polar regions

Rover (Pragyaan)
(pictured below)

27 kg
No of instruments 2
MISSION LIFE IS ONE LUNAR DAY

- Payload includes Laser-Induced Breakdown Spectroscope that would drill into the lunar surface, collect samples to understand chemical composition and mineralogical composition on lunar surface
- Alpha Particle X-Ray Spectrometer will determine the elemental composition of the lunar rocks and soil

Lander (Vikram)

1,371 kg
Number of instruments - 4 (including rover); it will touch down on the moon surface at 2 metre per second -
MISSION LIFE IS ONE LUNAR DAY

Payload includes Instrument for Lunar Seismic Activity to measure lunar earthquake around the landing site and structure of lunar crust & mantle

ISRO WILL REPLICATE THE SUCCESS OF CHANDRAYAAN-1 BY USING THE EARTH'S GRAVITY TO SLING THE SPACECRAFT TO THE MOON

GRAPHICS: GEETANJALI

Globe Trotter redBus Launches 'rPool', Its New Carpooling Service

Bengaluru MakeMyTrip-owned bus aggregator redBus has launched 'rPool', a carpooling service for working professionals, marking its entry into the intra-city transportation segment. The services will be piloted in Bengaluru, Hyderabad and Pune over the next 3-6 months. rPool will verify users through their corporate email IDs and will allow drivers to offer just two rides a day. redBus said that the service is aimed at enabling pooling among professionals. —Our Bureau

TCS Bags RBI's CIMS Deal for ₹310 crore

NEW DELHI Tata Consultancy Services (TCS) will implement RBI's a centralised information and management system (CIMS) for seamless data collection and validations at a cost of ₹310.52 crore. TCS pipped other IT majors like IBM India, Infosys, L&T Infotech to get the key project of the central bank. —PTI

FB is up Against Hate Speech

Number of hate speech posts deleted by Facebook, per quarter (in millions)

Q4 2017	1.6
Q1 2018	2.5
Q2 2018	2.5
Q3 2018	2.9
Q4 2018	3.3
Q1 2019	4.0

Source: Facebook

Meanwhile in tech...

The developments come one year after Uber revealed plans to launch the Uber Air project in international markets including India, Japan, France, Brazil and Australia. Uber picked Melbourne for a pilot project earlier this week.

Uber Elevate head Eric Allison said Uber Air will be launched in India over the next 5-10 years. "India has this amazing way of leapfrogging, and even if they are not the first one to adopt technology, they are definitely the quickest to get the most advanced technologies," Goel said.

Commenting on pricing its Uber Air product in an emerging market such as India, Goel said it would need to arrive at the right price point for such a service in India. "And it is really compelling to us because India has so much of the world's population," he said.

The biggest challenge for Uber's Air initiative will be regulatory compliances, primarily related to safety of passengers, infrastructure upgrades needed for scale and scarcity of trained pilots in the system.

The adoption process for new aircraft concepts has not been very quick by governments globally.

(The correspondent is in Washington DC at the invitation of Uber Technologies)

For Nikhil Goel's full interview log on to etttech.com

Monsoon Watch

The monsoon has made slow progress after arriving a week late on June 8

The weather system has not moved much after reaching the Kerala coast

It is now poised to reach Mumbai around the weekend

Monsoon is also likely to enter north-east India in the next day or two

The threat of El Niño disrupting the monsoon has reduced a bit



Most parts of India continue to face severe heatwave

India's hottest place is Banda in eastern UP with 49° Celsius

Coastal Maharashtra and Gujarat to get heavy rains in the next two days

Cyclone Vayu has intensified, and is predicted to smash the Gujarat coast on Thursday

Heatwave in northern India to continue for a few days

Unit to Monitor States' Gender Targets On Cards

Finland-like unit may be set up to rank states on criteria for women empowerment

Yogima.Sharma @timesgroup.com

New Delhi: India could set up a gender equality unit to closely track improvement in the status of women over a dozen indicators and rank states on those parameters.

The aim is to strengthen India's women workforce besides ensuring there is overall improvement in their condition.

A senior government official told ET that a dedicated unit could be set up under the women and child development ministry to evaluate gender-based budgeting as well as effectiveness and outcomes of all gender specific initiatives of the government. "The ministry could collaborate with Niti Aayog to develop a gender-based index that will eventually rank states on the indices mutually agreed upon," the official said.

Niti Aayog had first mooted the idea in its strategy document. However, not much had moved then because the general elections were due. "The new government has started re-looking at key pending proposals and women being at the centre of development agenda, this is likely to come up for discussion soon," the official added.

The plan is to set up a dedicated unit, on the lines of Finland and some other countries, that would focus on data gathering and conducting regular reviews with other ministries on explicitly defined gender targets. The unit could work towards disaggregating gender data through technology and geo-location information.

Some of the gender targets that could be monitored include reducing anaemia rates among adolescent girls and women in the 15-49 years age group by at least one-third by 2022-23 and bringing down maternal mortality to 70

Bridging the Gap

GENDER EQUALITY UNIT

- Will collate data and monitor all women-related schemes
- Develop indices to rank states on improvement in women's condition

Schemes of all ministries to be evaluated
Health, education and social parameters of all women will be tracked

Idea is to empower women and make them part of India's workforce

AIM To raise women workforce participation to 30% from 25%

per 100,000 live births. Consequently, some of the key parameters that could be developed for assessment and ranking of states could include child sex ratio, percentage of girls completing secondary schooling, maternal mortality rate, female labour force participation rate, percentage of girls graduating, percentage of women voters at all levels, incidence of crime against women, enrolment rate of girls at the primary school level and percentage of women owning land, livestock and housing.

The Economic Survey 2018 had shown improvement in 14 out of 17 indicators pertaining to women's agency, attitudes and outcomes. However, the female labour force participation rate (LFPR) in the country has gone down despite increasing levels of education and declining fertility rates, which is one of the worrying trends, particularly in rural areas and the government aims to reverse the trend.

ICICI, SBI, HDFC Bank Reported Most Cases of Frauds in Last 11 Years, says RBI Report

New Delhi: Of over 50,000 frauds that hit banks in India in the last 11 fiscal years, the ICICI Bank, State Bank of India (SBI) and HDFC Bank reported highest number of cases, according to an RBI data. Of the total 53,334 cases of frauds reported during 2008-09 and 2018-19 fiscal years, involving a whopping ₹2.05 lakh crore, a highest of 6,811 were reported by the ICICI Bank involving ₹5,033.81 crore. The state-run SBI reported 6,793 fraud cases involving ₹23,734.74 crore followed by HDFC Banks which recorded 2,497 such cases involving ₹1,200.79 crore, according to RBI data in response to an RTI query filed by this correspondent. The Bank of Baroda reported 2,160 fraud cases (involving ₹12,962.96 crore), Punjab National Bank 2,047 frauds (₹28,700.74 crore) and Axis Bank had 1,944 fraud cases involving ₹5,301.69 crore public money. — PTI

EAC Too Trashes Former CEA's Claims on Growth

CLEARING THE AIR Plans point-by-point rebuttal, says base year of income calculations had been shifted to 2011-12 in line with recommendations of several committees

Our Bureau

New Delhi: The Economic Advisory Council to the Prime Minister has refuted former chief economic advisor Arvind Subramanian's claim that India's GDP growth was overestimated between 2011-12 and 2016-17, saying the base year of income calculations was shifted to 2011-12 in line with the recommendations of several committees.

The EAC, headed by economist Bibek Debroy, said it will examine in detail the estimates made in Subramanian's paper and come out with a point-by-point rebuttal.

Subramanian said India's actual GDP growth in the period was about 4.5% with a 95% confidence interval of 3.5-5.5% as against reported growth of almost 7%.

"It is worth noting that the base year of India's income calculations shifted to 2011-12 on the basis of recommendations of several committees with experts in National Income Accounting," the EAC said in a statement on Wednesday.

The Ministry of Statistics and Programme Implementation had issued a detailed statement on Tuesday refuting Subramanian's paper

and saying that the country follows accepted international practices for measuring the performance of the economy. "The GDP estimates released by the ministry are based on accepted procedures, methodologies and available data and objectively measure the contribution of various sectors in the economy," the ministry said.

The EAC said the government implemented the changes based on the recommendations of these committees, which initiated work in 2008.

"It is wrong to suggest that the views of experts have not been taken into account while changing the base year or

SUBRAMANIAN'S VIEW
Ex-chief economic advisor said India's GDP growth was overestimated between 2011-12 and 2016-17



weights or switching from Annual Survey of Industries (ASI) to Ministry of Corporate Affairs (MCA) 21," it said.

On the use of cross-country regression by Subramanian in his paper, the EAC said it is a most unusual exercise, as is the suggestion that any country's GDP that is off the regression line must be questioned.

"The proxy indicators that he used can also be questioned. Nor does this exercise allow for GDP increases on the basis of productivity gains," the EAC said.

"At the moment, it is felt that any attempt to sensationalise what should be a proper

academic debate is not desirable from the point of view of preserving the independence and quality of India's statistical systems, all of which the former CEA is familiar with," it said.

According to the council, a country's GDP is in nominal terms and any exercise should be based on nominal figures, not real growth rates.

"These are certainly issues that Dr Subramanian must certainly have raised while he was working as CEA, though by his own admission, he has taken time to understand India's growth numbers and is still unsure," the EAC added.

Commenting on the matter, Chandrajit Banerjee, Director General of the Confederation of Indian Industry, said "the Indian economy is a complex one and cannot be captured by just a few indicators."

He referred to Subramanian's method of taking only some high-frequency data to build his argument and said the growth estimates by the former CEA omit productivity and quality and take into account only volume. "GDP data has to take a more robust and comprehensive approach where all growth drivers are included," Banerjee said.

REPORT ON RBI'S SURPLUS FUNDS DEFERRED Jalan Panel to Meet One More Time

Our Bureau

New Delhi: The Bimal Jalan committee, which is looking into the size of capital reserves that the RBI should hold, will have one more meeting before finalising its report to be submitted to the apex bank by month-end.

"Report has not been finalised," Jalan said, adding that there would be one more meeting before finalising the report.

The six-member panel under former RBI governor Bimal Jalan was appointed on December 26, 2018, to review the Economic Capital Framework (ECF) for the Reserve Bank after the finance ministry wanted the RBI to follow global best practices and transfer more surplus to the government.

The RBI has over ₹9.6 lakh crore surplus capital with it. The ECF panel was mandated to submit its report to the RBI within 90 days of its first meeting, which took place on January 8. Following this, the panel was given a three-month extension. Asked about the reason for delay in finalisation of the report, the official said, "There may be differences of opinion, but that is being discussed."

The other key members of the panel include Rakesh



Mohan, former deputy governor of RBI as the vice-chairman, finance secretary Subhash Chandra Garg, RBI deputy governor N S Vishwanathan, and two RBI central board members — Bharat Doshi and Sudhir Mankad.

The panel has been entrusted with the task of reviewing the best practices followed by central banks worldwide in making assessment and provisions for risks. The government and the RBI under its previous governor Urjit Patel had been at loggerheads over the ₹9.6 lakh crore surplus capital with the central bank. The finance ministry was of the view that the buffer of 28% of gross assets maintained by the RBI is well above the global norm of around 14%. Following this, the RBI board in its meeting on November 19, 2018, decided to constitute a panel to examine the Economic Capital Framework.

What CEOs Would Like in Future Leaders

Leaders of tomorrow must have the ability to innovate and accept rapid disruption in digital age, say top execs

Our Bureau

Mumbai | Kolkata: High doses of innovation and an ability to embrace rapid disruption in the digital era are among the top traits India Inc CEOs want in future leaders.

ET asked the corporate honchos, who are on the jury panel for the seventh edition of The Economic Times Young Leaders (ETYL) programme, about what they look for in leaders of tomorrow, and response was unanimous. It is the ability to innovate and change that will give a leading edge to businesses in the days to come.

"As businesses navigate rapidly changing market conditions in the post-digital world, leaders are expected to lead through ambiguity and drive disruptive innovation... Agile leadership underpinned by the ability to rapidly reinvent themselves will become a critical leadership skill," said Rekha M Menon, the chairman and senior managing director at Accenture in India.

Vineet Nayar, the founder-chairman of Sampark Foundation who has been on the jury panel for the past few years, said: "You need to build organisations that have a culture of rapid experimentation and innovation. This needs inspired and free-thinking leaders and not managers still trapped in their obsession to 'manage'."

"Leaders should be able to take calculated risks, willing to experiment, try and come up with revolutionary models/solutions, etc., which may have the potential to transform an organisation and sometimes, the entire



market," said Amitabh Chaudhry, the chief executive officer of Axis Bank.

The new boss of Axis Bank, who is giving the private lender a makeover, added: "I see courage as one of the defining qualities among great leaders. Great leaders do not shy away from making bold moves, taking difficult decisions and from being accountable for their actions."

Bain & Co India managing partner Karan Singh agreed. "Leaders of tomorrow must have a mindset of embracing change and disruption while continuously learning," Singh said. The ETYL programme, launched in 2011, has become a yardstick for identifying the leaders of tomorrow for Corporate India.

The programme has been growing over the years and receiving a lot of traction as reflected in the increase in the number of participants over the last six editions — more than 1,65,000 young corporate managers have participated in the programme so far. Among them, only 231 men and 64 women have earned themselves the prestigious title of ET Young Leader.

Harsh Mariwala, the chairman of Marico, who has been a part of the CEO panel since the first edition, saw self-motivation as one of the key traits for future leaders. Mariwala, who is known for his entrepreneurial drive and passion for innovation, put a great emphasis on out-of-the-box thinking and zest to innovate as critical qualities in leaders of the future. The future also calls for leaders who are more open, collaborate and connected, said the jury members.

For Gautam Kumra, the managing partner at McKinsey India, the most important thing in a leader is drive and ambition. "Having an inspiring vision and being able to articulate it in a way that is compelling is half the battle won," said Kumra, who is an expert in the area of CEO leadership. "The ability to influence and communicate is critical, and so is the track record — what have they tangibly been able to deliver," he said.

"The world of management, as we know it, is dead. Management pyramids are dead," said Nayar, adding that millennials in the workplace would not follow a command and control structure.

"They will not fall into line with an obsolete hierarchy or get buried under dead pyramids. Thus, leaders of tomorrow are those who demonstrate an unflinching trust in their employees, aspire for the illogical and inspire their teams to achieve the impossible," said the former CEO of HCL Technologies.

Axis Bank's Chaudhry, who had previously led HDFC Life to emerge as one of India's largest private life insurers, said a new paradigm that was increasingly gaining importance in leadership was that of Emotional Intelligence, or EQ.

"All businesses deal with people every day — customers, employees, management, shareholders, investors, etc. It's about establishing the right connect with all these stakeholders — even at an emotional level," he said. "How good are they in dealing with people and talent is something I look for in young professionals who aspire to be future leaders," said Mariwala. "Also important is how curious are these people to learn and the clarity of thinking that they demonstrate."

New generation entrepreneur Rashmi Daga, the founder and CEO of food tech company FreshMenu, expressed similar views. "I would love to see the ability to connect with customers and organisation, learning with experimentation and innovation to stay ahead in business and personal life. It would be important to not just think of self but the society at large and see your work make a larger impact over the years," said Daga. "Creative thinking and deep execution would define the young leaders of tomorrow, she added.

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BMS Wants Centre to Abandon Industrial Relations Code

RSS affiliate also seeks changes in some provisions of other labour codes

Our Bureau

New Delhi: The Bharatiya Mazdoor Sangh, the Rashtriya Swayamsevak Sangh-affiliated trade union, wants the government to abandon the proposed code on industrial relations and consider its objections to provisions in other labour codes before introducing them in Parliament.

"BMS has conveyed to the government its serious objections on some of the provisions of labour codes, which should be rectified before they are placed before the cabinet or sent to Parliament," Saji Narayanan CK, president of the union, said in a statement on Wednesday.

The government is planning new labour codes that would merge 44 laws under four categories — wages, social security, industrial safety & welfare and industrial relations.

The BMS said it has rejected the controversial Industrial Relations Code because it would only create



jungle law in the sector. "Many of the existing workers' rights are being curtailed," it said.

While the BMS has backed the code on wages and urged the government to pass it in Parliament at the earliest, it has asked for the code on social security to be redrafted to incorporate suggestions proposed by the unions.

Some of the major objections raised by the BMS include a proposal to dismantle Employees' State Insurance, Employees' Provident Fund and six other central welfare schemes and

merge them with a new unorganised sector scheme and fund.

"The ESI and EPF amounts will be depleted easily within a short time. The government should subsidise social security for the unorganised sector," BMS added.

On the Labour Code on Occupational Safety and Health and Working Conditions, the BMS said the government has not taken care of many issues.

"There are innumerable laws related to working conditions that are omitted from its ambit," it added.

The BMS also has opposed privatisation of the social security fund, voicing concern that multinational insurance and provident fund companies would deploy the money in the risky share market.

"Hence BMS demands that the government immediately consult the trade unions in the spirit of synergy and rectify the glaring defects before any further step is taken on labour law reforms," Saji Narayanan said.



Market Trends

STOCK INDICES	% CHANGE
Nifty 50	11906.2 0.50
Sensex	39756.81 0.48

MSCI India	905.74	0.22	SX 40	23377.47	0.46
MSCI EM	2324.63	0.39	Nikkei	21129.72	0.35
MSCI BRIC	611.86	0.57	Hang Seng	27308.46	1.73
MSCI World	8935.3	0.17	Strait Times	3207.74	0.06

OIL (\$)	BOND
DUBAI CRUDE	10-YR YIELD
59.24	7.01
1.53	0.03

GOLD RATE	
Prices per Troy Ounce (\$)	
US	India
OPEN 1330.6	1465.27
LAST 1339.4	1469.84

At 10.30pm, After adjusting for import duty, Indian spot gold lower by \$3.50 to US Comex gold price on Wednesday. The premium on local gold is due to tight supply following import curbs.

FOREX RATE (₹-₹ Exchange Rate)	
OPEN	LAST
69.44	69.35

REVISION IN TARGET PRICE Financial, consumer and telecom companies see biggest cuts after Q1 results Cement, Aviation Stocks Likely to Shine

Sanam.Mirchandani
@timesgroup.com

Mumbai: Financial, consumer, graphite and select telecom companies were among the companies which saw the biggest cuts in target prices following their March quarter results. Cement and aviation companies saw the biggest increases in target price.

According to Bloomberg data of BSE 500 constituents which have at least five analysts tracking it, Phillip Carbon Black, CG Power, Dewan Housing Finance Corporation (DHFL), Jain Irrigation Systems, Sterlite Technologies, Yes Bank, Jubilant Life Sciences, Edelweiss Financial Services and Vodafone India saw consensus target prices being reduced by 18-40%.

Revision in Target Prices

HIGHEST CUTS	MARKET CAP (₹ CRORE)	P/E	CONSENSUS PRICE (₹)			HIGHEST INCREASES	MARKET CAP (₹ CRORE)	P/E	CONSENSUS PRICE (₹)		
			TARGET ON APRIL 1	TARGET ON JUNE 11	CHANGE SINCE APR 1 (%)				TARGET ON APRIL 1	TARGET ON JUNE 11	CHANGE SINCE APR 1 (%)
Phillips Carbon	2,343.79	6.12	338.67	203.50	-39.91	Orient Cement	2,251.51	50.00	77.36	125.46	62.16
CG Power	2,027.52	-	53.00	34.33	-35.22	SpiceJet	8,255.12	-	111.29	152.83	37.33
DHFL	2,810.29	2.53	413.50	277.00	-33.01	APL Apollo Tubes	3,832.65	25.66	1,479.33	1,928.20	30.34
Jain Irrigation	1,909.14	8.36	81.20	59.00	-27.34	India Cements	3,021.50	159.43	90.67	117.64	29.75
Sterlite Tech	6,987.12	13.83	381.86	280.44	-26.56	InterGlobe Aviation	63,746.84	402.13	1,310.30	1,691.38	29.08
Yes Bank	31,487.47	18.35	268.38	205.48	-23.44	Adani Power	18,262.61	-	25.67	32.80	27.79
Jubilant Life	7,641.51	13.11	948.44	768.60	-18.96	Power Finance	34,783.07	3.49	111.67	139.13	24.59
Vodafone Idea	36,781.30	-	19.60	15.90	-18.89	JK Cement	7,916.91	28.17	878.90	1,087.94	23.78
Cadila Health	25,347.87	13.73	390.24	318.30	-18.43	KNR Constructions	4,018.14	15.19	268.38	322.68	20.23
Edelweiss Fin	16,902.44	16.20	252.50	206.57	-18.19	SRF	16,724.81	25.94	2,445.17	2,928.08	19.75

liquidity crisis in the NBFC space while Yes Bank posted its first-ever quarterly loss in the three months ended March on the back

of higher provisions. InterGlobe Aviation, which runs IndiGo, India's largest airline by market share, saw consen-

sus target price increasing 29% to Rs 1,310.30 as the airline is seen benefiting from the shutdown of Jet Airways (India). SpiceJet also

saw analysts turning more bullish on it as the carrier is also expected to be a beneficiary of troubles at Jet Airways.

Rupee Firms up 10 Paise to 69.34 a Dollar

PTI

Mumbai: The Indian rupee Wednesday appreciated by 10 paise to close at 69.34 to the US dollar, marking the second straight session of gains driven by easing crude prices.

At the interbank foreign exchange market, the rupee opened at 69.38 a dollar and advanced to a high of 69.28 during the day. It finally settled at 69.34, up 10 paise against its previous close.

The Indian currency has strengthened by 31 paise in the last two sessions. "Indian rupee trading higher amid fall in crude oil price. Market participants awaiting May retail inflation data to gauge the possibility of further interest rate cuts," said V K Sharma, Head-PCG & Capital Market Strategy, HDFC Securities.

Retail inflation spiked to 3.05 per cent in May from 2.99 per cent in April, government data showed.

Brent crude futures, the global oil benchmark, fell 2.49 per cent to USD 60.74 per barrel.

Reliance Nippon could Offer Up to 8% Arbitrage Gains at Buyback in July

Investors can buy stock during OFS and tender at open offer price of ₹230

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Mumbai: Investors looking for some quick gains could buy shares of Reliance Nippon Life Asset Management (RNAM) through the offer for sale on Friday or at the current market price and tender them in the open offer issue next month. They could earn 6-8% in 45 days in this strategy, according to analysts.

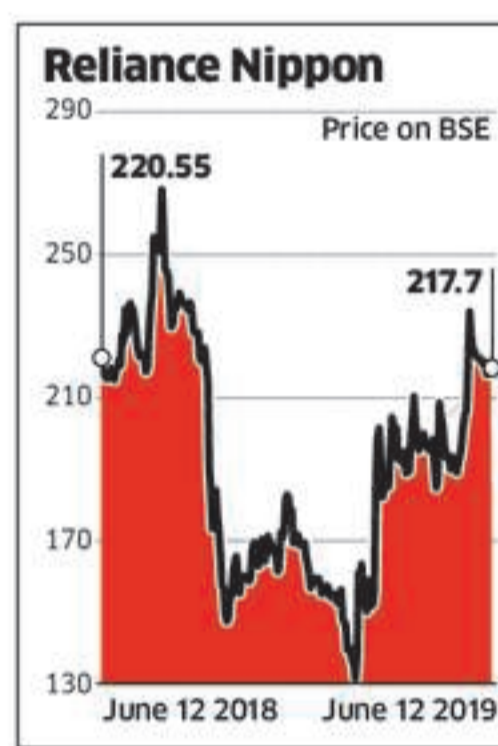
Promoter Reliance Capital is selling 2.86%, or 1.75 crore shares, of RNAM on Thursday and Friday at a floor price of ₹212 per share. Offer will open for non-retail investors on Thursday and retail investors on Friday.

"Since the open offer price has been set at ₹230 per share, investor can buy from the secondary market at current price or every dip and tender shares in the

open offer—for a cool 6-8% return (ex-capital gain tax)" said Kush Katakia, CEO, Beanstalk Advisory. "As the free float is very less, the acceptance ratio for retail would be 100%."

The offer will open on July 16 and close on July 29 subject to regulatory approvals. Promoter Reliance Capital recently sold its entire 42.88% stake at Rs 230 per share to Nippon Life.

This stake sale and the subsequent offer for sale has increased Nippon's shareholding to 75%. Public shareholders currently own a 14.25% stake. Last month, promoters sold



8.65% in RNAM through offer for sale at ₹221.50 per share to meet minimum public holding norms. "RNAM could be a good investment not only for short-term ar-

bitrage opportunity, but also for the long term," said Paras Bothra, head of research, Ashika Stock Broking.

"There is limited downside left for the stock as the valuations discount between HDFC Mutual Fund and RNAM will narrow down sharply once the promoter concerns are eradicated."

During the March 2019 quarter, overall AUM for RNAM remained flat as growth in equity schemes and ETFs was offset by a decline in debt and liquid AUM. RNAM continues to show strong trends in retail AUM growth, adding ₹16,700 crore in retail assets since March 18, which is the highest for the industry.

Among the top 5 AMC's, RNAM has the highest proportion of retail assets, contributing 39% of the fund's AUM compared to 26% for industry.

DHFL Bonds Back in Secondary Market

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Mumbai: About Rs 50 crore worth of DHFL bonds changed hands in the secondary market this week after a long gap, said two industry veterans with direct knowledge of the transaction, although the deal was struck at a likely record discount to the original issue.

The 9.25% paper was traded at 67% yield, perhaps a record high in recent years for any corporate paper in the country. Bond yields and prices move in opposite direction.

The secondary market trade took place late in the afternoon on Tuesday.

"A British bank is said to have bought the paper, while a mid-sized domestic insurer sold it," said one of the persons cited above.

These bonds were sold in September, 2016, in a public issue that had also seen participation from retail investors. These bonds are due to mature in 2023.

Last September, these bonds had traded at 11 percent when DSP Mutual Fund sold some of the paper to a large non-banking finance company, backed by a large conglomerate.

DHFL Tuesday cleared pending interest dues on bonds it had sold last year, scotching speculation that a default was likely on the payments that were otherwise scheduled before the Eid festival earlier this month. The home financier paid Rs 862 crore from the proceeds of stake and portfolio sales.

The repayment may have revived hopes overseas about the viability of DHFL, said an investor holding papers issued by the embattled home financier. "This has triggered secondary market trading, which may increase traded volumes in the coming days," the person said.

Wadhwan Global Capital, the holding company, received Rs 2,200 crore Monday from selling stake in Aadhar Housing Finance, a group company.

Sensex Snaps 3-Day Winning Run Amid Global Sell-off

PTI

Mumbai: The Sensex snapped its three-day rising streak to end 194 points lower Wednesday, pressured by losses in banking and auto stocks amid a broad sell-off in overseas markets. Investors were also cautious ahead of the release of inflation and factory output numbers, traders said. After slumping over 300 points during the day, the BSE gauge pared some losses to settle 193.65 points, or 0.48 per cent, lower at 39,756.81. The index hit an intra-day low of 39,623.53 and a high of 39,982.10.

Similarly, the broader NSE Nifty fell 59.40 points, or 0.50 per cent, to close at 11,906.20. During the day, the index touched a low of 11,866.35 and a high of 11,962.45.

Yes Bank was the worst performer in the Sensex pack, declining 3.34 per cent, after Moody's placed the private sector lender's ratings under review for a possible downgrade.

Other losers included Maruti Suzuki, Kotak Mahindra Bank, Hero MotoCorp, Bajaj Auto, IndusInd Bank and Bajaj Finance, that shed up to 1.79 per cent.

On the other hand, Tata Steel, ONGC, Vedanta, Sun Pharma, TCS, RIL, HUL and ITC bucked the weak market trend and gained up to 2.60 per cent. According to experts, investor sentiment turned negative tracking weak cues from overseas markets after US President Donald Trump Tuesday said he was not interested in a trade deal with China unless it agreed to four-five major points.

"Expectations on the resolution of the trade war took a turn for the worse, and Indian markets joined global equities in a sell-off. World markets are increasingly concerned about a slowdown or recession in advanced economies. Falling bond yields and falling crude oil prices reflect this concern."

PROSPEROUS INDIA

2019

ADVERTORIAL

UNLOCKING SUCCESSFUL WEALTH STRATEGIES

Prosperous India, a platform devised to ensure equity-focussed financial prosperity for investors, reflected on India's growth story in all of its on-ground events held across 12 cities

By A Correspondent

India is not just doing well, it is shining. Given the climate of economic optimism, new heights are being scaled in almost all sectors and India is at the forefront of this. The signs of prosperity are everywhere. As India prospers, it is a given that investors will get inspired by this growth story.

Taking cognizance of this, National Stock Exchange of India partnered with Times Network to adopt a new and fresh approach while interacting with investors, stakeholders and the public. The intent was to showcase the benefits that arise from investing in various asset classes, especially the equity markets. This new approach called for a more overt and engaging posture which clearly articulated how investors would

benefit in the long run.

Prosperous India, in its entirety, focussed on the way forward for India's investors, ensuring their financial prosperity, freedom and the ability to grow as India grows. It delved into the nuances of investing in the financial markets, with the thrust points being Personal Finance, Asset Allocation, Goal Setting, Mutual Funds and Equities, Systematic Investment Plans/SWPs, and Exchange Traded Funds, among others.

The Prosperous India movement spanned across 12 cities, through several on-ground events. The cities covered were Bengaluru, Indore, Kolkata, Jaipur, Ahmedabad, Surat, Lucknow, New Delhi, Chennai, Pune, Thane and Mumbai. The experts spoke to keen listeners across these on-ground forums to educate them about the long-term benefits of investing



>>> L-R: Kalpen Parekh, President, DSP Investment Managers, & Nilesh Shah, MD & CEO, Kotak Mutual Fund in equity markets through the SIP and ETF routes.

The event kicked off in Mumbai on January 11 this year and in the first leg covered six cities -- Bengaluru, Indore, Kolkata, Jaipur, Ahmedabad and Surat. The forums in these cities were moderated and presented by some of the most knowledgeable and articulate television anchors of Times Network.

The inaugural session was anchored by Nikunj Dalmia, Managing Editor, ET NOW, in Mumbai. Speaking about equities as an investment option, Vikram Limaye, the Managing Director and CEO of the National Stock Exchange of India Limited, said, "NSE's commitment to investor education has been a consistent effort. Our aim is to improve

NSE's commitment to investor education has been a consistent effort. Our aim is to improve the financial wellbeing of people. Educating masses about financial markets is very important. And in keeping with this, NSE Prosperous India aims to create financial awareness among investors."

>>> VIKRAM LIMAYE, MD & CEO, National Stock Exchange of India

PARTICIPANT TESTIMONIALS

A diverse set of individuals, from working professionals to students, participated in the 'Prosperous India' programmes

This is the first seminar with a financial focus that I have attended. I found it to be extremely informative, especially about the Index Fund. I have been investing in the equity markets for the last 10 years, but did not know about this. I will now invest accordingly.

■ UTKARSH CHAYA, INVESTOR, AHMEDABAD

In the years ahead, there is a huge potential for investors in the stock market. There is a lot of money that can be made through this avenue. NSE should try and spread more awareness about this among the investors as much as possible.

■ VINOD MAKWANA, STOCK MARKET PROFESSIONAL, INDORE

I had some query regarding investments in SIP and I got the answer at this forum. I can now attempt to invest in two or three schemes that can be beneficial to me as a student and will be of some value to me in the future.

■ NEHAL YADAV, STUDENT, SURAT

If you are watchful and can study the market, then investing in shares is the best option for you. If you are not able to study the market, then mutual funds are the right investment option.

■ HARSHAL SETHI, RETIRED INSURANCE PROFESSIONAL, KOLKATA

The major learnings were the impact of the global markets on the Indian economy and the market. This was a major concern for me and to get feedback from a person, who is experienced and holds a portfolio of HNIs, was a good learning for me.

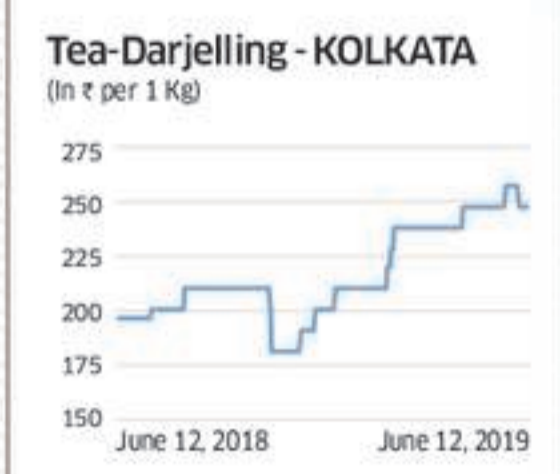
■ SIRAJ, INVESTOR, JAIPUR



Tweet of the Day

John Reade@JReade WGC
The move in gold appears to be related to a few linked factors: Some mild US dollar weakness; Real US yields off a few bps from yesterday; and The lack of bounce in US equity futures following yesterday's weakness. New wires blaming the Trade War and the Fed.

Quarts & Ounces



Commodity	Change	Days Index	Prev Days	Last Week
Bullion	0.29	4708.9	4695.1	4715.2
Cement	0.00	2431.1	2431.1	2431.1
Edible Oil	-0.30	1525.8	1530.5	1542.2
Foodgrains	-0.02	2400.0	2400.7	2410.3

74.59 MILLION KG
INDIA'S TEA PRODUCTION IN MARCH 2019, ACCORDING TO TEA BOARD

Did You Know?

A Woman is Speaking for BoJ for First Time

The Bank of Japan announced the appointment of its first female head of media relations, in one sign that long-closed doors are beginning to open for women at the central bank. Mikari Kashima, previously head of the Financial Infrastructure Studies Division, was appointed to the position on Monday, meaning women now hold the position of chief spokesperson at both the BoJ and the Ministry of Finance. In 2014, the BoJ followed PM Shinzo Abe's lead and said it would try to hire women for 30% of career-track positions. It said it topped that goal in fiscal 2016, when a third of such new positions went to women, after achieving a similar rate the previous year. Still, Japan remains far behind in promoting women, who held only 13% of managerial positions in 2017. — Bloomberg

Gold Futures Jump ₹188 on Global Cues

NEW DELHI Gold prices rose by ₹188 to ₹32,820 per 10 gram in futures trade on Wednesday as participants created fresh positions, tracking a firm trend overseas. On the Multi Commodity Exchange, gold contracts for August delivery traded higher by ₹188, or 0.58%, at ₹32,820 per 10 gm in a business turnover of 16,277 lots. Gold for October delivery moved up 0.44% to ₹32,946 per 10 gm.

CBOT Wheat Rises after USDA Cuts Estimates

CHICAGO Chicago Board of Trade (CBOT) wheat futures ended higher on Tuesday after the US Department of Agriculture made deeper-than-expected cuts to its estimates for US ending stocks, traders said. CBOT July soft red winter wheat ended up 10-1/2 cents, or 2.1%, at \$5.18 a bushel. The USDA, in a monthly report, cut its estimate for 2018/19 US wheat ending stocks to 1.102 billion bushels from 1.127 billion in May.

APPEAL TO THE CENTRAL BANK Makes representations to the RBI about the unfairness of the year-long ban and seeks a relaxation of its stance. People in the know say auditor may take further action if the regulator decides not to soften its stand

Ban on Batliboi Not Fair, EY Tells RBI

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Mumbai: After the Reserve Bank of India banned EY member firm SR Batliboi & Co for one year from auditing the books of accounts of commercial banks, EY has now written to the banking regulator objecting to the ban. Two people aware with the development told ET. The firm has made representations to the RBI about the unfairness of such a ban and sought a relaxation of its stance, one of the people cited above said.

"It is quite unfair that the regulator has taken such a tough stand on the auditor but the bank in question has just got a slap on the hand," one of the people in the know said.

"The auditor may also consider to take further action if the regulator decides not to soften their stand."

RBI and EY did not respond to ET's query. ET in its edition on June 4 had reported that the central bank's action was linked



NO FAIR TREATMENT

It is quite unfair that the regulator has taken such a tough stand on the auditor but the bank in question has just got a slap on the hand



HIGH VALUE AUDITS

Market capitalisation of firms audited by EY group through its affiliate firms was about 24.1% of total market value of all listed NSE cos in 2018-19

to the audit of private sector Yes Bank's financial statement for the fiscal year ended March 2016 which had thrown up a big divergence in the non performing assets (NPAs) of the bank.

An RBI assessment for the fiscal ended March 2016, pegged the total bank NPAs at ₹4,925.68 crore as against the ₹748.98 crore gross NPAs reported by Yes Bank, leading to a divergence of ₹4,176.70 crore. This divergence further increased to ₹6,335 crore

in fiscal ended March 2017 and was considered the main reason the former CEO Rana Kapoor's tenure was curtailed last year by the central bank.

SR Batliboi had ceased to be the auditor of Yes Bank from the fiscal ended March 2016 as part of the mandatory auditor rotation. BSR & Associates, a KPMG affiliate, took over as the auditor of Yes Bank thereafter.

RBI had said that Batliboi has been

banned due to "lapses identified in a statutory audit assignment carried out by the firm," without giving any details. The Indian audit industry is starting at an upheaval also due to the government's demand to ban Deloitte Haskins & Sells and BSR & Co, part of the KPMG network, for their alleged role in concealing bad loans at IL&FS.

Another Big Four PwC is already serving a ban for its alleged role in the Satyam

Computer Services fraud, although that ends next year.

SR Batliboi also audits over 150 companies including Reliance Industries, Tata Power, Voltas, Vodafone Idea, Tata Communications and Vedanta. The market capitalisation of companies audited by EY group through its affiliate firms was about 24.1% of the total market value of all listed NSE companies in 2018-19.

Lack of Final Loan Ratings Prevented LIC from Buying DHFL Debt Paper

DHFL was supposed to issue pass through certificates; final rating was not obtained on time

Saikat.Dast@timesgroup.com

Mumbai: LIC of India was among the large potential investors that skipped buying securitised DHFL loans earlier this year despite approvals to commit about ₹3,000 crore as final ratings on the pool of assets did not arrive quickly enough, causing further liquidity stress at the embattled home financier.

DHFL was supposed to issue Pass Through Certificates (PTCs), a series of debt instruments, backed by a pool of retail loans, and LIC had considered buying those PTCs if the ratings were to arrive earlier. ET has viewed a copy of the approval letter. "The proposal has been considered, and we wish to inform you that LIC is agreeable, in principle, to subscribe to PTCs to the extent of ₹3,000.21 crore rated 'Provisional CARE AAA (SO)'," the insurer said in the letter addressed to DHFL chairman on January 24.

Those debt securities, which offered 10% annually, were backed by housing loans and credit against property originated by DHFL. SO, or structured obligation, is a kind of additional credit support.

Email queries to DHFL, LIC of

India and CARE did not elicit any response until the publication of this report.

The rating company offered a provisional rating the would-be buyer - in this case, LIC - did not accept. Instead, the largest domestic institutional investor demand-

ed a "final rating" against the pool of retail credit for which PTCs were to be issued.

Had DHFL raised that money back in January, the liquidity position at DHFL may not have been as bad, said an investor with direct knowledge of the matter.

"It was not clear if the rating company declined to issue the final rating citing waning cash base," the person said. "But typically for pool purchases, rating is linked to the asset quality."

On February 25, the rating company CARE wrote a customary letter to DHFL citing usual conditions to obtain the final rating.

About two weeks ago, CARE downgraded DHFL's different debt instruments to 'D' or default, citing delay in paying pending interest dues on bonds. Earlier rating agencies ICRA and CRISIL too cut the home financier's short-term commercial paper ratings to the same junk grade.

There has been a deterioration in liquidity profile of DHFL with cash & liquid investments decreasing from ₹4,668 crore as on March 31 to ₹2,775 crore (including SLR) as on April 30 this year, CARE said in a report on June 5. "DHFL has exposure to the lower and middle-income group which is more prone to defaults in case of a stressed economic scenario," the rating company said. The embattled housing finance company has been generating ₹2,000 crore every month through equated monthly instalment (EMIs) from its retail home buyers. The inflow is little changed in past one year.

It was not clear if the rating company declined to issue the final rating citing waning cash base

AN INVESTOR

The proposal has been considered, and we wish to inform you that LIC is agreeable in principle; to subscribe to PTCs to the extent of Rs 3,000.21 crore rated "Provisional CARE AAA (SO)"

LIC SAID IN A LETTER TO DHFL ON JAN 24

2 kg of wheat or rice will be supplied in addition to the monthly quota of 5 kg of foodgrain

Inter-ministerial Panel to Decide on Supply of Extra Foodgrain to the Poor

Our Bureau

New Delhi: The food ministry has sent its proposal of supplying extra foodgrain to poor families for inter-ministerial deliberations before seeking the cabinet's approval, according to a senior official. As per the proposal, 2 kg of wheat or rice will be supplied in addition to the monthly quota of 5 kg of foodgrain to 810 million poor individuals covered under the National Food Security Act (NFSA). The plan is to do it for an initial period of six months.

Meanwhile, the ministry is ready with its cabinet proposal for giving 1 kg of subsidised sugar to 190 million poor families. Currently, 1 kg of sugar is being given to 25 million 'poorest of the poor' Antyodaya families at a subsidised rate of ₹13.50.

"The proposal of subsidised sug-

ar for poor families is likely to be approved at the next cabinet meeting, while the foodgrain proposal would take some more time," the food ministry official said. The food ministry had sent the proposal of supplying subsidised sugar for approval during the first cabinet meeting of the new government. But it was sent back to the ministry for clarity on the distribution mechanism.

Extending subsidy of ₹18.50 per kg of sugar to 190 million families is likely to cost the government ₹4,727 crore. "The sugar will be given through ration shops under the targeted public distribution system - the way food grains are distributed. We have explained this in the cabinet note. In the previous note, the distribution system was not mentioned separately," he said. Allocation of additional food grains is likely to ease the storage problem the government is facing

due to fresh procurement. The government is likely to incur a cost of about ₹30,000 crore through this scheme which will be separate from the food subsidy bill of ₹1.84 lakh crore.

The government gives 5 kg of foodgrains per month to every poor individual at a highly-subsidised rate of ₹1, 2 and 3 per kg for coarse grains, wheat and rice, respectively, besides allocating 35 kg of food grains per month to Antyodaya families.

"We need to evacuate godowns for fresh procurement. There has been record stock of 75 million tonnes against the storage capacity of 88 million tonnes. The subsidy cost of around ₹30,000 crore for distribution of this additional quota is likely to subsidise the annual carrying cost of food grains, which is also in the same range. We will review the scheme after six months," the official said.

THE PLAN

2 kg of extra wheat or rice to be supplied to 810 million poor people

The plan is to do it for an initial period of six months

There's a proposal for giving 1 kg of subsidised sugar to 190 million poor families

Currently, 1 kg of sugar is being given to 25 million Antyodaya families at ₹13.50

Extending the subsidy likely to cost the government ₹4,727 crore

BUFFER STOCK

11.53 lakh tonnes BUFFER STOCK OF PULSES THE GOVERNMENT HAS AT PRESENT

NAFED HAS STOCK OF 27.32 lakh tonnes OF PULSES

TOTAL STOCK OF PULSES WITH THE GOVERNMENT IS 39 lakh tonnes

NAFED HAS SO FAR PROCURED OVER 30,000 tonnes OF ONIONS IN MAHARASHTRA

Centre Tries to Tame Food Price Rise in Maharashtra Ahead of Polls

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Pune: The Centre has stepped up the import of pulses and discouraged onion exports as part of measures to hold down food prices before the Maharashtra assembly polls, but low commodity rates continue to bother farmers seemingly struggling to recover production costs.

Ram Vilas Paswan, the Union Minister of Consumer Affairs, Food and Civil Supplies, has announced that the government would sell 2 lakh tonnes of tur dal from the buffer stock to help keep retail prices in check.

"The government is alert about any attempt at hoarding and speculation," said Paswan in a Tweet on Tuesday. On the same day, New Delhi also withdrew export incentives on onions over concerns of higher prices.

We will issue licences for import of pulses within 10 days by sort-

ing the applications received so far," said Paswan. Industry experts in Maharashtra told ET on the condition of anonymity that the government action seemed to be aimed at protecting consumer interests ahead of elections to the state assembly.

For farmers, however, the prices haven't yet turned remunerative. "The cost of production of chicken did increase by 15% during the first quarter of this fiscal, but prices are expected to remain range-bound until August," said PG Pedgaonkar, General Manager, Venky's (India).

Suresh Agrawal, president, All India Dal Millers Association, said: "Prices of moong, urad, chana and masur are ruling below the minimum support price (MSP) while only the price of tur has recently touched the MSP of Rs 5,650/quintal." He has urged that the additional import quota of tur be allocated exclusively to processors, as was

the case with the earlier arrangement.

The monetary policy statement of the Reserve Bank of India also noted that the summer pick-up in vegetable prices has been sharper than expected. It said that vegetables had moved out of 9 months of deflation while pulses, fruits and sugar remained in deflation in April.



Big 4 Thinking of Keeping Off Risky Audits

BAN, ACTION MAY BE STIFLING May limit clients to MNCs, key Indian firms, reputable startups

Vinod Mahanta & Sachin Dave

Mumbai: Following a series of strict regulatory actions for alleged auditing lapses, the Big Four firms have kickstarted a debate over whether to walk away from potentially risky work and limit their client roster to multinational companies, prominent Indian companies and reputable startups.

On Tuesday, PwC resigned from Reliance Capital before submitting its audit report for the financial year 2019. That came on the back of a proposal by the Ministry of Corporate Affairs to ban Deloitte Haskins & Sells and BSR & Co. for five years in connection with the Infrastructure Leasing & Financial Services case, the Reserve Bank of India's ban on SR Batliboi & Co. auditing commercial banks and the market regulator banning PwC last year.

The audit firms say they are at an inflection point and must take hard calls on the business.

"We will start walking away from grey audits or rather, any shade of grey. Everyone now has to be more mindful of whom they sign or service. The question staring at us is: Is the risk worth taking?" said the audit leader of a Big Four firm.

Experts concur that more auditors will start avoiding potentially problematic clients in the next few months.

In terms of money, the audit business across the Big Four is estimated at between Rs 2,300 crore and Rs 2,600 crore and it's not the most profitable when compared with taxation or advisory.

After audit rotation was introduced, margins shrank because the investment required to audit a new client is higher than the yearly fee an auditor earns in the case of most big companies. Now, with the risk growing exponentially, the risk-reward ratio is going awry.

Deloitte and BSR & Co. will end up spending much more on litigation than the fee they made on the IL&FS Financial Services (IFIN) audit. In addition, there is collateral damage in terms of loss of reputation and other advisory business.

"Now we decide who we can audit. More than 60% of my clients will be multinationals who want quality audits, and this will come at a price," said a senior audit partner in another Big Four firm.

After regulators questioned the quality of audits, the firms said the audit environment will change.

"We are at the end of our patience with audit committees. We are dealing with a government which doesn't understand the meaning of professional judgement. They are bringing criminality to an auditor. The last few days have changed the profession. The risk-taking ability of the profession will reduce drastically as both the management and auditors will be perennially suspicious of each other," said a Big Four audit partner.

According to Jeenendra Bhandari, a partner at MGB & Co. LLP, looking at the swift investigation in the IL&FS case and the seriousness of the government to pursue action against auditors, and added to this the ban, penalties and class action suits, no auditor - whether a large firm or tier-2 firm - would sign off on a company's accounts that have even the slightest potential for risk.

"I see a flurry of resignation of auditors happening in this financial year," said Bhandari. Recently, the UK's Competition and Markets Authority recommended that the Big Four audit firms should split their audit and non-audit businesses to avoid conflict of interest situations and 'concentration' issues. Experts said the crisis may trigger similar introspection in India. "There is increased discussion globally about breaking up the Big

Voices of Dissent

AUDIT LEADER
At a Big-4 Firm

We will start walking away from grey audits or rather, any shade of grey. Everyone now has to be more mindful of whom they sign or service. The question staring at us is: Is the risk worth taking?



AUDIT PARTNER
At a Big Four company

We are dealing with a government which doesn't understand the meaning of professional judgement. They are bringing criminality to an auditor. The last few days have changed the profession. The risk-taking ability of the profession will reduce drastically as both the management and auditors will be perennially suspicious of each other

Four audit and non-audit business," said Sunil Chandiramani, former advisory head of EY. "In the UK, there are conversations by regulators to separate the assurance and consulting business."

According to Chandiramani, PwC and EY have reportedly said they will ban consulting services to their audit customers in the UK to restore public trust.

With stakeholder confidence being impacted in several parts of the world due to financial reporting and fraud scandals - the UK, Africa and now in India - it may just hasten this separation, especially given that the firms have significantly expanded their advisory businesses, which over the next few years, could become larger than their audit businesses, he said.

Over the past few years, the Big four firms have successfully diversified into non-audit services - only 14-18% of their total revenue comes from audit. Service lines such as tax have grown into big businesses, bringing in ₹4,500 crore for the firms, while advisory services account for another ₹5,000-5,300 crore.

Lovely Returns That Grow on the Wall

Investment in Indian art could prove lucrative

On Tuesday, June 11, a 1982 painting by Bhupen Khakhar sold at auction for \$3.2 million, roughly ₹22.5 crore. After adjusting for inflation, this is the second-highest price ever paid for Indian art, narrowly trailing \$3.5 million for a work by Syed Haider Raza. Khakhar's work, titled 'Two Men in Benares', was painted shortly after his mother's death and is supposed to be his 'coming out' work, after concealing his homosexuality from friends and family for years. Indian art is slowly being appreciated overseas, and since 2002, when a Tyeb Mehta sold for ₹8 crore, has steadily appreciated in global markets. Nevertheless, these are paltry amounts compared to prices of Western art: in 2017, a painting attributed to Leonardo da Vinci, called 'Saviour of the World', sold for a staggering \$453 million — the costliest art ever. Even the 10th most expensive painting sold in auction, a work by Roy Lichtenstein, went for \$165 million.

Which begs the question, is art buying merely a hobby of the super-rich, or does it make sense as an investment? In a landmark paper, Jianping Mei and Michael Moses looked at art auction prices between 1875 and 2000. They found returns on art to be similar to US treasury bonds, lower than equity, less volatile than stocks, and with low correlation with other asset classes. The Mei-Moses Index, the gold standard of the global art market, is constantly updated and its results hold. They also found that the costlier the painting, the lower its future returns — this is a result of the 'winner's curse', where in the heat of an auction, people tend to overpay.

This is actually good news for the future of Indian art as investment. Given its relative cheapness compared to Western art, it is likely to outperform the index by a wide margin. Which means, a \$3 million investment is likely to fetch far higher returns than a \$300 million purchase. Meanwhile, buyers can enjoy aesthetic beauty on their wall, something no stock or bond will ever deliver. For hoi polloi who cannot afford to put up such chunks of capital, investment pools that invest in art is the answer.



Act to Stop These Assaults on Doctors

Junior doctors are on strike across Bengal, following a vicious attack on two doctors at a government hospital, following the death of a patient. This has become a regular pattern, with similar reports coming in from Agartala, Mumbai, Hyderabad, Chennai, Bengaluru, Pune, Jaipur and other places. An Indian Medical Association spokesman claims that 40% of medical practitioners in India have suffered assault. This cannot be allowed to continue.

In a country where lynch mobs take the law into their hands with apparent impunity, what can be done to protect doctors? While there is, indeed, a problem of generalised lawlessness in a great many places, let us also appreciate that we do not come across many instances of lawyers being assaulted for losing cases or policemen being thrashed for insipid investigations. It is widely perceived, it would appear, that letting one's emotions get the better of one is likely to get one into deep trouble if the object of one's ire is a lawyer or a policeman. A similar perception has to be built for doctors as well. A doctor is a scarce resource in India. We cannot afford to have this resource battered out of kilter or frightened away from places that are not guarded like a minister's residence. In places where residents know one another, such as villages, community fines and proscriptions should be enforced for violence against doctors. A black list of those who assault doctors, who would be debarred from state subsidies and facilities, including hospitals, as in China, could be another deterrent.

Doctors and hospitals must improve communications with patients and their families, as well. The old-school claim of doctors possessing unimpeachable wisdom and goodness will not wash. Trust, not just law and order, has a huge role.

Children should use their legs and brains — leave forensics for adult mysteries

We Don't Want No Science in Fairy Tales

Science should not take the romance out of fairy tales, or, indeed, the fun of using 'ze leetle grey cells' from mysteries. It is true that DNA sequencing has given a super weapon to the criminal justice system and novelists, but the British writer of children's books who has begun a campaign to have age-old classics rewritten to include forensic science and genetics risks being labelled a killjoy. Tracing Cinderella through DNA left in her glass shoe just does not have the same resonance as the original efforts of the charmed prince to find his lost love. This author's suggestion that the three bears can figure out who Goldilocks was through the remnants of porridge in the bowls also seems pointless as she never returns to their house again in anyway. And Enid Blyton's famous young detectives foregoing their exciting forays outdoors for clues and, instead, resorting to lab-bound forensics to nail the culprits is not what doctors would cite as ideal leisure-time pursuits for today's couch potato kids.

In fact, quite the opposite should be the norm for budding Sherlockians and aspiring fairy-tale protagonists — good old-fashioned legwork and invigorating brain exercises — good to limber up the right muscles for future exploits. After all, wizardry has taken a lot of the pottering and exertion out of children's adventures already.

CURSOR A market structure problem in finance threatens the solvency of borrowers

India Inc Needs A Bailout



T K Arun

Events and personages occur in history twice, it has been said, the first time as tragedy and the second time as farce. The enormous build-up of non-performing assets (NPAs) that the banks are trying to unwind via bankruptcy resolution, recently rendered uncertain by a Supreme Court order that invalidated an enabling RBI directive, was a tragedy.

If a similar pile of NPAs results from the ongoing funds crunch that is throttling real estate and infrastructure companies, it would be a farce: a government paralysed into inaction for fear of the inevitable charge of favouring crooked businessmen that would follow constructive action, even as foreign private equity firms saunter through the debris of India Inc, occasionally bending down to pick up and pocket a glitzy chunk that catches their eye.

Not a Liquidity Problem

It is no use looking to RBI to provide succour through a special non-banking finance company (NBFC) window. Leaving aside a couple of them, India's NBFCs do not qualify for long-term funds from RBI or from anyone else. And the companies that struggle to service debt and pay off private equity investors their capital and the fat returns they were promised at the time of investment need long-term

funds to complete their projects. The Indian market does not have a long-term provider of funds. Banks could offer medium-term loans but are chary of providing additional loans, because of the NPAs they have accumulated. So, infrastructure companies, including real estate developers, have come to depend on short-term funding from NBFCs and constant rolling over of these loans. When this merry rolling over of short-term funds seizes up, for whatever reason, the deficient market structure for funds shows up as insolvency of infrastructure companies.

The problem cannot be solved by plying the NBFCs with short-term money. The way out is for the struggling projects to get decent dollops of long-term funds that would finance the projects to completion.

Who can provide the funds and on what terms? Courage and innovation must attend on an honest answer.

Many projects suffer not just from a paucity of adequate financing but also from excessive project costs. Costs are typically padded to let the promoter take out a tidy sum in the course of the project's implementation. That tidy sum is what is used to make untidy pay-offs to the politician and the bureaucrat who gave the requisite permits for the project, not to speak of the bankers who blithely accepted the inflated project cost while sanctioning loans.

Infusion of new, long-term capital is the right occasion to right-size the project cost. Suppose the National Investment and Infrastructure Fund — or the IFCI or any new vehicle created for the purpose — agrees to provide long-term funds to those of the struggling projects (or even confirmed NPAs on banks' books) that are inherently viable, by buying out the promoters' equity and the banks' outstanding loans, at a



Mayday, for July 5

discount that would slash the project cost to realistic levels and impose haircuts on promoters and lenders. Now, the projects would be financially viable and have the funds to implement them.

Onus on the Government

But who would provide this kind of money to the buyout vehicle? Fiscal deficit worries rule out the government. The Employees' Provident Fund and the National Pension System sit on large amounts of Indian savings. The government could extend a guarantee at least for the principal, for their funds to be deployed in the buyout vehicle. Once the projects are completed and sold, the returns would be several times what these retirement savings generate at present.

Would this not amount to State takeover of large swathes of real estate and infrastructure? It would. During the financial crisis, US, British and other governments took over banks and large companies, to avert an economic collapse. Once the crisis got over, the government sold its stake in the entities it took over, mostly at a decent profit. Some of it could be shared with the banks, whose loans were bought over

at a steep discount. In the meantime, the bond market should be activated to provide long-term funds for long-term projects in non-crisis situations.

Who would implement the projects? Offer the promoter chunks of equity, linked to reaching milestones in project implementation, to complete the project. Or auction the project off to those with the capacity to complete it.

What would happen to the NBFCs? They would find assets to finance that are appropriate for the short-term money they raise. If they prove unfit for the task, parts of the country still supply professional mourners, who would wail and cry in professional sorrow.

Once the projects that have been stalled are implemented, the demand these generate for cement, steel, construction equipment and labour would give a new fillip to the economy.

What of the fight against corruption? It calls for transparent political funding, to begin with. In any case, it makes little sense to kill the economy to kill corruption. That would be worse than farce.

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The sustainable solution is a functional bond market but, right now, the government must step up to organise a bailout; it is beyond what RBI can do

ECONOMY

Demolishing the Infrastructure



M Veerappa Moily

In the last five years, credit and deposit growth have remained sluggish. RBI's guidelines on identifying defaulters have also put investors in a tight spot. Banking frauds and ever-rising non-performing assets (NPAs) have curtailed the banking sector's ability to lend. The Prompt Corrective Action (PCA) prescribed by RBI disabled banks from even going into retail banking, or from raising short-term deposits.

NPAs have reached unmanageable levels and the investment climate has also been tardy. Institutions like Infrastructure Leasing & Financial Services (IL&FS) have gone belly up. In this context, RBI's announcement of the monetary policy on June 6 has not inspired investors or market sentiment.

Investors are disappointed that RBI didn't specify how it plans to tackle the liquidity crisis plaguing non-banking financial companies (NBFCs). The rate cut is appreciated, but more steps are urgently needed to spur investment. The crisis has resulted in the loss of ₹8.84 lakh crore in investor wealth, both within and outside the country.

Scams in banks and the financial sector have also taken a toll on employment, production and investments. The slowdown of infrastructure projects like roads, ports, water and power has amounted to almost ₹90 billion being due to IL&FS and subsidiary companies from GoL. Lending companies like Life Insurance Corporation of India (LIC) and State Bank of India (SBI) have further tightened the situation by squeezing the fund flow to IL&FS, resulting in deepening of the crisis. Switching off the credit line stuck a deadly blow on the institution. According to reliable information, it is the direction of the Banking Services Department to stop financing IL&FS and its subsidiaries that triggered the present crisis.



Not the most reliable structure

IL&FS had a debt of ₹99,358 crore as in September 2018. The majority of capital investors in the company are public financial institutions like LIC, SBI, Central Bank of India and Unit Trust of India. IL&FS is involved in many infrastructure projects by way of project financing, and debt and equity financing. One reason for the present crisis is that the financial institutions assisting IL&FS arbitrarily withdrew.

GoL has not taken the crisis seriously, and seems more interested in accelerating the process of winding up IL&FS. The payments due from various government agencies have allowed IL&FS to sink further. Having

slept on the matter over the last few years, GoL suddenly pressed the panic button and put infrastructure projects in utter disarray.

The role of credit rating agencies (CRAs) has come into question. The parliamentary standing committee on finance of the 16th Lok Sabha, in its 72nd report, went into the subject of CRAs and asked the government to intervene and conduct a comprehensive commission to enquire into the IL&FS episode. It also underlined the urgent need to initiate steps to resurrect the company, as it is the only institution funding infrastructure projects in the country.

The new government should also give up its practice of not paying outstanding dues to public sector and other infrastructure companies. GoL, for instance, owes about ₹15,700 crore to Hindustan Aeronautics Ltd (HAL). If there is no attitudinal change in the government, India could well be in for a bigger investment crisis, with cascading effects on the economy at large.

The writer was corporate affairs minister in the UPA government, 2011-12

THE NEEDLE'S EYE

Hara-Kiri Congress Style



Chaitanya Kalbag

The 48-year-old challenger is flat on his back on the canvas. The crowd is cheering on the champion, who is 20 years older but lighter on his feet. Is the challenger out for the count, or will he go another round?

Can Rahul Gandhi breathe life back into his shattered organisation? Three weeks after the results of the 2019 elections were declared, no senior Congress leader knows if the party president is actually quitting, or, as the Americans say, just playing possum.

At a Congress Working Committee (CWC) meeting two days after the results, his 'offer' to resign drew a sycophantic chorus, drowning out Manmohan Singh's suggestion of a detailed post-mortem. Party leaders begged Gandhi to stay on while patting themselves on their backs for "our indomitable courage, our fighting spirit and commitment to our ideology". Would you call this denial, or hallucination?

Although it won a few more seats than in 2014, the Congress stepped closer to extinction in 2019. It did not win a single seat in 13 states and five Union territories. It won just six seats of 225 in the 10 Hindi heartland states, where it does not have a single leader who would be able to hold a candle to Narendra Modi.

Its only consolation in the north was eight seats in Punjab. It did disastrously in the east (three of 63) and in the west (two of 76). It was wiped out in six of the eight northeastern states. It did slightly better in the south — 26 of 128 seats, but 23 of them in Kerala and Tamil Nadu.

It is not as if an unexpected toofan has hit this 134-year-old outfit. Starting in the mid-1990s, decision-making was centralised. The CWC was stuffed with nominees, and the Congress Parliamentary Board done away with. This election, an acquiescent Central Election Committee rubber-stamped candidates chosen by organisation secretary K C Venugopal, who had been parachuted in by Rahul Gandhi just before the elections.

Over the decades, the party has meticulously destroyed its grassroots structures. In 2008, Gandhi introduced internal democracy with elections to the National Students' Union of India and the Youth Congress. Money and muscle ensured that relatives of regional satraps 'won' key



The height of GOP fashion

posts. The rank-and-file talent that used to aspire to leadership was smothered. District Congress Committee chiefs, who were supposed to nurture block and village-level workers, were directly handpicked by the brooding High Command in Delhi, and did not answer to frustrated state unit presidents. Gandhi has surrounded himself with advisers who have no field experience.

True, the BJP out-spent the Congress by several magnitudes, but also leveraged a huge cadre of its own, as well as RSS workers, down to both karyakartas and panna pramukhs who were tasked with wooing every last name on voters' lists.

In contrast, huge swathes of Congress's depleted resources were spent on the Shakti app, thought up by the party's Data Analytics Department ostensibly so that every party worker would be connected. Hundreds of thousands of fake workers jumped on the gravy train.

Each polling booth was meant to have 10 Shakti workers. "There were one million booths. If they can show me even 200,000 booth workers that would be good. They did not exist," one senior leader said. The party was billed about ₹1.5 crore a day apparently to send out three bursts of 75 lakh SMSes to party workers and voters. "These existed only on paper."

The last-minute 'Ab Hoga Nyay' (Now There Will Be Justice) video campaign was masterminded by Nikhil Alva, a Gandhi adviser and son of an old-time party leader. The campaign flopped. Old Rajiv Gandhi loyalist Sam Pitroda swooped in from the US to head the campaign ex-

ecution group, but couldn't take his foot out of his mouth (for instance, with his callous remark on the 1984 anti-Sikh riots).

The vote numbers tell the dismal story: Between 2009 and 2014, Congress' share plunged by 50 million, even though the total number of voters rose by more than 100 million. The BJP more than doubled its share. In 2019, the BJP's share went up by nearly 60 million votes. Congress has barely crawled back to its 2009 numbers. This means the majority of the new, young voters added over the past decade have thrown in their lot with Modi.

Andhra Pradesh is an example of the erosion. Local strongman Y S Rajasekhara Reddy helped Congress win 29 of 42 Lok Sabha seats in 2004, and 33 seats in 2009. But after his death, the party apparatus disintegrated, and the Gandhis fell out with his son Jagannathan, who has won a huge landslide on his own. Congress won 185 of the 294 seats in the undivided Andhra assembly in 2004. This year, it did not win a single seat in the truncated 175-member Andhra legislature. Worse, all its candidates forfeited their security deposits in every Lok Sabha and assembly constituency.

After Congress' 2014 defeat, a committee headed by former defence minister A K Antony prepared a report on retrieving lost ground. The report was never made public. This time, there is talk of options like collective leadership, a 'working president', and deputies to Gandhi. Congress can't live with the Gandhis, and it can't live without them. Therein lies the rub.



THE SPEAKING TREE

That Journey Inside

T N CHAPEKAR

Deep breathing is more a physiological exercise than a spiritual one. It is also an important step towards graduating to other higher forms of spiritually enhancing breathing practices.

We get oxygen from the air around us through breathing. The breathed-in air goes to the lungs, which are profusely vascularised. The oxygen in the inspired air reaching the lungs is absorbed in the blood and on to the haemoglobin present in red blood cells. Because blood is circulated continuously throughout the body, it reaches all tissues. In exchange, carbon dioxide generated in tissues as waste product of metabolism is taken up by the blood and is exhaled through the respiratory system in a reverse fashion.

Studies show that after we breathe in air, oxygen content in the lung air is much less (14%) than it is in inspired air (21%). In such situations, cells can adapt to anaerobic environment. This change in the micro-environment may lead to occult morbidity. Deep breathing is the answer.

Practise deep breathing on an empty stomach in an airy place with fresh air, preferably at dawn when the air is ozone-rich. Sit on a straw mat in padmasana or siddhasana — or just squat with legs folded. Relax voluntary muscles. Remove extraneous thoughts and concentrate on breathing. Inhale air till you feel you cannot draw in air any more, and exhale till you feel you will not be able to do it further. Breathe slowly. Inhalation and exhalation time should match. Gradually try to increase the time period of breathing.

Chat Room

Needed: Fair and Swift Justice

Appropos the Edit, 'Crack the Whip on Errant Taxmen, Fairly' (Jun 12), indisputably, there are black sheep in various organisations. Due diligence needs to be exercised to cull chaff from wheat. Punitive action against any official should not be vindictive, politically motivated or mala fide, otherwise, it will set a bad precedent and hurt the morale of the rank and file. The misdeeds of some I-T officials hurt the image of the entire department in the eyes of the public. It is time to redeem the image of the I-T department and inspire confidence among taxpayers.

DEEPAK SINGHAL
Noida

Only Deterrent Punishment

This refers to the Edit, 'Justice System Works in the Face of Pressure' (Jun 11), it is incomprehensible that the accused in the Kathua gang rape and murder case have been spared the death sentence and given a life term instead. What is more horrific is that the act was perpetrated on an

innocent eight-year-old girl who hailed from the nomadic community. Why did the judge not term such a gruesome act as belonging to the rarest of rare cases to deserve the death penalty?

N J RAVI CHANDER
Bengaluru

No Postscript for Postcard War

Appropos the Edit, 'Postcards From the Edge of 21 Ideologies' (Jun 12), poster wars are passé. Postcard wars are now the thing, thanks to the political parties in Bengal. Battle lines have been drawn. But, for heaven's sake, isn't the humble postcard heavily subsidised? This war is going to cost the exchequer, not the gods. And, as in any political fight, no matter which party wins, the public ends up being the loser. Hopefully, this postcard war will not have a postscript.

ANTHONY HENRIQUES
By email

Letters to the editor may be addressed to editet@timesgroup.com

QUICK HITS

Facebook Launching App That Pays Users for Data on App Usage

San Francisco: Facebook on Tuesday launched an app that will pay users to share information with the social media giant about which apps they're using. The company previously rolled out two similar apps that tracked what activities people did on their phones. But both were shut down after drawing criticism for infringing on privacy and violating Apple's App Store guidelines. Facebook said the new app, called Study, is different than the previous two and was built from scratch. And it is only available on the Google Play Store, though Facebook said it might work to expand it to iOS in the future. AFP

Dassault to Buy Medidata in \$5.7B Health Data Push

Paris: Dassault Systemes SE, a maker of industrial design software, agreed to buy Medidata Solutions for \$5.7 billion to gain a foothold in the fast-growing market for clinical trial technology. The deal pushes the French company further beyond its design roots into data processing and business analysis. Medidata's software analyses pharmaceutical and biotech trials for some of the world's biggest drugmakers. This is by far the largest acquisition we've ever made," Pascal Daloz, chief financial officer of Dassault Systemes, said on a conference call. Bloomberg

Sudan Protesters, Army to Resume Talks; Strike Ends

Khartoum: Life began to return to normal on Wednesday in Sudan's capital, Khartoum, after the protest organisers called off their general strike and civil disobedience campaign. The move is seen as a possible breakthrough in the worsening political crisis, two months after a protest movement forced the army to topple strongman Omar al-Bashir — and then stayed in the streets demanding the generals who replaced him hand power over to a civilian leadership. AP

Boeing 737 May Fly Again by December: FAA Official

Frankfurt: Boeing Co's 737 Max aircraft, grounded since March after two fatal crashes in five months, will be back in the air by December, according to a top Federal Aviation Administration safety official. It's not possible to give an exact date as work progresses on safety fixes to the aircraft, Ali Bahrami, the US regulator's associate administrator for aviation safety, said Wednesday in an interview at an aviation safety conference in Cologne, Germany. Bloomberg

Extradition Bill Protests in HK Erupt into Violence

Hong Kong Chief Executive Carrie Lam describes extradition law protests an 'organised riot' and calls for calm to be restored

Hong Kong: Hong Kong was rocked on Wednesday by the worst political unrest since its handover to China as police fired tear gas and rubber bullets to disperse protesters who tried to storm parliament and blocked roads in the financial hub. The violent protests were the latest expression of widespread public anger over the government's controversial Beijing-backed plan to allow extraditions to China. Clashes broke out hours after tens of thousands of people seized key arteries in the morning rush hour and surrounded the city's parliament, forcing lawmakers to postpone a debate on the proposed law. At least 20 people were injured as the police pushed back with tear gas, pepper spray and rubber bullets. Hong Kong Chief Executive Carrie Lam, who is championing the law's passage, described the protests as "organised riots" and called for calm to be restored. "The rioting actions that damage peaceful society, ignoring law and discipline is unacceptable for any civilised societies," she said in a video statement. Police earlier used tear gas, rubber bullets and batons to battle



A protester holds up a placard reading 'Against China extradition' during a demonstration in Hong Kong

AT LEAST 20 PEOPLE were injured as the police pushed back with tear gas, pepper spray and rubber bullets

crowds of black-clad demonstrators — most of them young people and students — demanding authorities scrap the Beijing-backed law. The scenes echoed the pro-democracy "Umbrella Movement" of 2014 where protesters calling for greater democratic rights shut down swathes of the city for two months and battled police, but won no concessions from Beijing. This time police appeared determined not to let protesters hold any ground while the young demonstrators responded in kind, hurling projectiles including metal poles, bottles and bricks. AFP

China Blocks Websites, Internet Accounts in New Cleanup Campaign

Beijing: China launched a new campaign to clean up its internet, state media said, amid a fresh wave of apparent censorship by Beijing blocking more foreign media websites and shutting down domestic accounts on social media. The joint effort was launched in May by the cyberspace administration, the information technology ministry, the public security bureau and the markets regulator and will run until the end of the year, the official Xinhua news agency said. The "rectification" campaign will punish and expose websites for "illegal and criminal actions", failing to "fulfil their obligation" to take safety measures or the theft of personal information, it added. Several foreign media beyond Beijing's control, such as the Washington Post and The Guardian, have not been accessible online since last weekend.

Several foreign media beyond Beijing's control, such as the Washington Post and The Guardian, have not been accessible online since last weekend.

Trump's Net Worth Rises to \$3 Billion

New York: President Donald Trump's net worth rose to \$3 billion, a 5% gain over the past year, thanks to a jump in the value of an office-building deal he once sued to prevent.



Donald Trump

The increase in Trump's wealth reverses two years of declines and brings his net worth back to 2016 levels, according to figures compiled by the Bloomberg Billionaires Index from lenders, property records, securities filings, market data and a May 16 financial disclosure. It comes despite setbacks at his family company, including the cancellation of two new hotel chains and reduced business at his Mar-a-Lago resort in Florida and seven golf courses. Trump's higher net worth shows how reliant his wealth has become on Steven Roth, a friend who leads Vornado Realty Trust. Trump's 30% stake in two Vornado properties — 1290 Ave. of the Americas, a 2.1-million-square-

foot tower in midtown Manhattan, and 555 California St., a 1.8-million-square-foot office complex known as the Bank of America Center in San Francisco's financial district — accounts for a quarter of his fortune. His partnership with Vornado, which owns the remaining 70%, resulted from a chain of real estate transactions that Trump once sued to block. Bloomberg

House Opens Antitrust Probe With Look at Threat to News Media

Washington: A congressional investigation into the power of big tech companies began on Tuesday with bipartisan concern from lawmakers that the government's lax oversight of the industry may be doing more harm than good. In its first hearing about the power held by Google, Facebook, Amazon and Apple, lawmakers focused on the decline of the news industry. They said they were troubled that the online digital advertising market, which is dominated by Google and Facebook, had siphoned off too much revenue from news organisations. "Concentration in the digital advertising market has pushed local journalism to the verge of extinction," said Representative David Cicilline, a Democrat from Rhode Island. The hearing was the start of the House Judiciary Committee's inquiry into possible anticompetitive



behaviour by big tech companies, part of a rising wave of federal scrutiny of the industry. The House committee plans several hearings, depositions and interviews with competitors over the next 18 months. In addition, the Justice Department and the Federal Trade Commission, the two top antitrust agencies, recently divided antitrust oversight over Apple, Amazon, Facebook and Google. The close reviews could lead to

years of troubles for the companies, through lawsuits or new laws. European regulators have already taken a tough stance against the companies, investigating how they handle user data, police speech and limit competition. Cicilline, who is leading the Judiciary Committee's investigation, said he would explore a variety of issues. He said the committee would look into whether the dominant social network, Facebook, had harmed consumers with its handling of data, for example. He said it also planned to look into whether Amazon had hurt smaller retailers. The House investigation will look into whether the Justice Department and FTC have adequately enforced antitrust laws. Cicilline said Facebook's acquisitions of WhatsApp in 2014, for instance, now appeared anticompetitive, even though federal regulators had approved it. NYT

Past Actions can Help in Probes Against Tech Giants: US Antitrust Chief

Washington: The top US antitrust enforcer said on Tuesday that studying enforcement actions against Standard Oil and AT&T decades ago can help lay the groundwork for looking at possible anti-competitive behaviour at today's tech giants such as Alphabet's Google and Facebook. Makan Delrahim, assistant attorney general, noted in a video speech at a conference in Israel that the Justice Department had previously fought giant corporations in court and prevailed. Delrahim pointed to past big antitrust victories, like the breakup of Standard Oil early in the last century and AT&T, which agreed to be broken up in 1982. Delrahim argued that, like the tech

giants today, Standard Oil had cutting edge technology and came of age during a time of rapid technological change. Delrahim said that AT&T's telephone networks were an early example of the "network effect," because its early refusal to connect independent companies to its long distance lines hurt those companies. Reuters

Uber Picks Melbourne as Site for Flying Taxi Service

Washington: Uber on Tuesday selected Melbourne, Australia, as the first non-US city for its aerial ridesharing service that is expected to launch in 2023, as it unveiled new partners for the ambitious initiative. Melbourne was named the third official pilot city for Uber Air, joining Dallas and Los Angeles. Test flights are to start in 2020 with commercial operations planned for 2023. The news came at the Uber Elevate Summit in Washington, where the California-based ride-hailing giant offered new details on its vision for flying taxis as a way to ease traffic congestion and improve urban mobility. "Australian governments have adopted a forward-looking approach to ridesharing and future transport technology," said Susan Anderson, Uber's manager for the region that includes Australia.

Uber, Lyft court California compromise on driver pay. Faced with legislation in California that endangers their business model, Uber and Lyft are urging a compromise that would keep their drivers from being considered employees. "We can make independent work better if we update century-old employment laws," Uber CEO Dara Khosrowshahi and Lyft co-founders Logan Green and John Zimmerman wrote in a rare, jointly written opinion column published on Wednesday in the San Francisco Chronicle. AFP & BLOOMBERG

Trump Receives 'Very Warm' Letter from Kim Jong Un

Washington: President Trump said that he had received a "beautiful" letter from North Korea's leader Kim Jong Un. Trump told the press before departing the White House for Iowa that he received a "very warm" and "very nice" letter from Kim on Monday, without providing more details about the letter. Xinhua reported. Trump reiterated his good relationship with Kim as well as the tremendous potential of the North Korea. Trump and Mike Pompeo are scheduled to visit Japan and South Korea in late June to discuss denuclearisation of the Korean Peninsula with leaders of the two US allies, said US State Department spokesperson. IANS

Japan Sets Carbon-Neutral Goal as UK Plans Climate Laws



Japan has joined Britain in pledging to become carbon neutral later this century, as the world races to prevent catastrophic climate change, but critics blasted Tokyo's plan as unambitious. While Britain on Wednesday outlined plans for fast-track legislation that would reduce carbon emissions to net zero by 2050, Japan's policy only pledges to meet the goal sometime after the middle of the century. Both countries are among the

latter half of this century." But while it says renewable energy — such as solar and wind — will become the mainstay of the country's energy use, it adds that coal-fired power plants will remain operational. Climate activists say Tokyo is moving too slowly and its continued use of coal undermines its objectives. The plan "shows the Japanese government is not truly serious about mitigating climate change," said Hanna Hakko, senior energy campaigner for Greenpeace Japan. "This is especially clear in the fact that there is no indication or timeline about phasing out coal." "You simply can't solve climate change while continuing to burn coal," she said. The move comes before environmental ministers from the Group of 20 meet in central Japan this weekend, and as Tokyo looks to position itself as a leader on climate efforts and reducing marine plastic waste. AFP

nearly 200 nations that have signed up to the Paris climate agreement, which commits signatories to efforts to cap global warming at "well below" two degrees Celsius (3.6 Fahrenheit). Japan's policy, adopted by the cabinet on Tuesday, is expected to be submitted to the United Nations before the country hosts the G20 summit in Osaka later this month. It sets "a carbon-neutral society as the final goal, and seeks to realise it at the earliest possible time in the

latter half of this century." But while it says renewable energy — such as solar and wind — will become the mainstay of the country's energy use, it adds that coal-fired power plants will remain operational. Climate activists say Tokyo is moving too slowly and its continued use of coal undermines its objectives. The plan "shows the Japanese government is not truly serious about mitigating climate change," said Hanna Hakko, senior energy campaigner for Greenpeace Japan. "This is especially clear in the fact that there is no indication or timeline about phasing out coal." "You simply can't solve climate change while continuing to burn coal," she said. The move comes before environmental ministers from the Group of 20 meet in central Japan this weekend, and as Tokyo looks to position itself as a leader on climate efforts and reducing marine plastic waste. AFP

TIPS, TRIVIA & TRENDS YOUR DAILY DIET OF FUN AND FACTS

Macron will Send New Oak to Trump after Tree Died

French President Emmanuel Macron promised to send a new oak to President Donald Trump after the tree he gave him during last year's state visit to the US died. In an interview broadcast on Tuesday evening by Swiss television RTS, Macron said the death of the tree shouldn't be read as an indication of the up-and-down relationship between France and the US. "It's no big drama," Macron said. "The symbol was to plant it together." The oak died during the quarantine it was put in just after being symbolically planted by Macron and Trump in the White House gardens. Macron said he will send another oak from the Belleau Wood in northern France, where more than 1,800 American soldiers died in a key World War I battle in 1918. AP

Israeli PM's Wife Signs Plea Deal over Meal Fraud Case

Israeli Prime Minister Benjamin Netanyahu's wife Sara signed a plea bargain on Wednesday over allegedly misusing state funds to order gourmet meals. Under the deal, Sara Netanyahu, 60, will admit lesser charges and be convicted of receiving something by intentionally exploiting another person's mistake. She will repay 45,000 shekels (\$12,573) and pay a fine of 10,000 shekels (\$2,794), Israel Radio reported. Sara Netanyahu was originally charged with fraud, aggravated fraud and breach of trust. According to her original chargesheet, she fraudulently obtained \$100,000 of public funds for hundreds of meals supplied by well-known restaurants and chefs to the official prime minister's residence in Jerusalem while falsely stating that there were no cooks or staffs at home. The PM's residence is not permitted to order prepared food if a chef is present. IANS

Artists Light Up Nepal's First Drag Show

Batting colourful lashes and swinging their silky wigs, drag artists danced to a cheering crowd at a Nepali restaurant in the country's first such show. The floor of the Pink Tiffany was packed on Tuesday evening to applaud the debut performances, with many in the audience also wearing glittery make-up and vibrant outfits. Meghna Lama, the restaurant's owner and a transgender woman, said she was excited to host the groundbreaking event. "We wanted to organise programmes to show that LGBTs also exist here, so for the first time we are trying to do the drag show," Lama said. The show was headlined by American artists, but Lama hopes it will open doors for Nepali drag enthusiasts to take to the stage. "This is exciting. I feel very free here. It is so good to see others enjoy as I do," said a participant. Nepal has some of South Asia's most progressive laws on homosexuality and transgender rights. AFP

Toothpaste Firm Up for Auction on Alibaba

A toothpaste company has been put up for auction on e-commerce giant Alibaba's Taobao, an immensely popular shopping portal in China which sells everything from mundane household items to jumbo jets. Tianqi toothpaste, a household name in China, and its manufacturer Guangxi Aoqili were listed for auction on Tuesday at a starting price of 163.24 million yuan (\$23.6 million). The package on offer included 57 trademarks related to Tianqi, industrial real estate and production equipment, according to the auction notice, which did not explain why the company was being sold or why Taobao was chosen for the transaction. The company went unsold in the first round, after only two buyers signed up. AFP

Humans Ingest Plastic Equal to 1 Credit Card Per Week: Study

Humans may be inadvertently consuming approximately 5gm of plastic every week — equivalent weight of a credit card — from various sources, a study warns. The research by the University of Newcastle in Australia, suggests that people are consuming about 2,000 tiny pieces of plastic every week — amounting to about 21gm a month, just over 250gm a year. The study commissioned by the World Wildlife Fund is the first to combine data from over 50 studies on the ingestion of microplastic by people. The single-largest source of plastic ingestion is through water, both bottled and tap, all over the world. Of the consumables studied, those with the highest recorded plastic levels include shellfish, beer and salt. PTI

Crossword 7432

1 Redesign and sell soft canine cleaner (6,5)
 9 Rorquals don't start swimming in filthy conditions (7)
 10 Entrance restricted by umpteenth rally (7)
 11 Diamonds interest card expert primarily (3)
 12 Like family members embarrassed about being overdue (7)
 13 Sterile spacesuit designed without us (7)
 14 Surly teenager's variable outside broadcast (3)
 15 Secret store's seal of approval incomplete (5)
 17 Earth pigment in mineral deposit around church (5)
 18 What models do on catwalk, providing support for it? (5)
 20 Poor soul doesn't begin gag (5)
 22 Port or whiskey? (3)
 24 Disheartened queen busy with academy in middle of rule? It's not fair (7)
 25 Times of year when you'll find aders (7)
 26 Fury in republic after sacrificing land (3)

27 Offer someone money illicitly for plant? (3,4)
 28 Depict wine with fish (7)
 29 A Derry firm arranged to recruit a milk supplier (5,6)
 DOWN
 1 Democrat led Labour rebel astray, like Marshall-Andrews? (6-9)
 2 Nothing to do with hearing about river in Africa (7)
 3 Pungent and parched, containing carbon (5)
 4 Release spy — he can do what he likes (4,5)
 5 Very busy, prepared to start game on board? (2,3,2)
 6 Brick-carrier's job maybe at fiercely contested match? (9-6)
 7 In which to find but's husband removed off course (6)
 8 Platitude in Catholic story about Switzerland (6)
 16 Would you credit it? Short Labour boss eats fruit (3,6)
 18 Proust's befuddled state of unconsciousness (6)
 19 Result of earthquake in Rocky Mountains on shed? (7)
 21 Smell Dutch liquor that's bland (7)
 23 Tries, for example, boarding English ship (6)
 25 Brownish character from Athens tucked into drink (5)
 SOLUTION TO No. 7431
 ACROSS: 1 Audience, 5 Balsam, 9 Aardvark, 10 Vitals, 12 Used, 13 Pallbearer, 15 Motor scooters, 19 Slippery slope, 23 T-bone steak, 25 Ogle, 28 Riddle, 29 Guardian, 30 Curate, 31 Nautilus.
 DOWN: 1 Abacus, 2 Dirge, 3 Envy, 4 Corsair, 6 Arise, 7 Sea breeze, 8 Mistress, 11 Bloc, 14 Stop, 15 Mail order, 16 Shy, 17 Oboe, 18 Eoteric, 20 Rote, 21 Scapula, 22 Tennis, 24 Eclat, 26 Grill, 27 Drat.

Dilbert

IF YOUR IDEA IS SO GOOD, WHY AREN'T OTHER COMPANIES DOING IT?
 BECAUSE THEY ARE IN COMPLETELY DIFFERENT BUSINESSES WITH COMPLETELY DIFFERENT VARIABLES AND THEY DON'T HAVE A GENIUS LIKE ME WORKING FOR THEM.
 WHAT HAPPENS IF WE TRY YOUR IDEA BUT WE DO IT WRONG?
 THAT'S CALLED "BUSINESS AS USUAL."

HIDATO FIND THE PATH - SOLVE THE PUZZLE

Complete the grid so that numbers 1-45 connect horizontally, vertically or diagonally.
 19 18
 21 27 31
 22 13 16 45 34
 14 35
 5 3 2 10
 6 1 42
 40
 Yesterday's puzzle solution.
 33 34
 31 32 27 39 35 36
 30 28 40 26 38 37
 6 8 29 25 21 20
 7 5 9 22 24 19
 4 1 10 11 23 18
 3 2 12 13 16 17
 14 15

7 LITTLE WORDS

Find the 7 words to match the 7 clues. The numbers in parentheses represent the number of letters in each solution. Each letter combination can be used only once, but all letter combinations will be necessary to complete this puzzle.
 CLUES SOLUTIONS
 1 feeling of guilt and regret (5)
 2 Molly Malone sold them (7)
 3 "loenail clippers" (11)
 4 stretchy, velvet-like fabric (6)
 5 garbanzo bean (8)
 6 Copland's was for common man (7)
 7 cap store in the mall (4)
 FA ES SHA CUR CO
 CKL CK PE TS CHI
 DI NF VEL ME LI
 ARE DS PEA OUR IS
 Yesterday's Answers: 1. CURTAINS 2. SHOPPING 3. ANKLES 4. HELPFUL 5. MINISKIRTS 6. PRESENTERS 7. PARENTHOOD

WORLD OF CRICKET

Rishabh Pant has been called up as cover for the injured Shikhar Dhawan in India's World Cup squad. Dhawan injured his hand during the match against Australia on Sunday. He has been put under medical observation and Pant will join the team in England and Wales and stay on as standby. "We will be observing Dhawan and around the 10th or 12th day we will know where he stands," India's assistant coach Sanjay Bangar said.

WATCH OUT! TODAY
IND vs NZ
3:00PM
Star Sports

DHAWAN'S INJURY HAS DISTURBED INDIA'S LEFT-RIGHT OPENING COMBINATION. WITH NO OTHER LEFT-HANDER IN THE SIDE, IT COULD BE A DISADVANTAGE AGAINST NEW ZEALAND TODAY AND GOING AHEAD IN THE TOURNAMENT

When Right isn't Ideal



BAT ON REGARDLESS
Anand Vasu Nottingham

It is no coincidence that India's two best opening combinations in limited-overs cricket involve one left-hand batsman and one right-hand batsman. Sachin Tendulkar and Sourav Ganguly set down the marker for Rohit Sharma and Shikhar Dhawan to try and emulate.

Tendulkar and Ganguly batted together at the top of the order 136 times in ODIs, scoring 6,609 runs at an average of just a shade under 50. Between 2013 and now, Rohit and Dhawan have 4,681 runs between them at an average of 45.89. As with Tendulkar and Ganguly, it is only injury or illness that has separated the latest pair.

The advantages of having a left-right combination are obvious and numerous. Firstly, the bowler has to constantly adjust his line, something you might think is an easy thing to do at the international level, but with margins for error being so small, batsmen are far better placed to exploit mistakes.

very versatile, and here if you can take his namesake Rahul Dravid back at the various positions, actually, it helped the team big time."

But KL, unlike Dravid, is closer to the beginning of his batting journey than the end, not someone who has mastered many challenges. "It also helps that usually you understand the game a lot better. If you're batting in the middle order and suddenly you go and bat in the top order, then you know how challenging it can be, wherein you need to negotiate two new balls, but you also understand that there are all these boundary opportunities," explained Bangar.

"...and if you're in the top order batting in the middle order, you suddenly understand, okay the balls which you would have hit for four in the first 10 or 12 overs, you only get a single. So it's a mental adjustment, and any player who is able to do that requires a lot of skill, but ultimately it will enhance the position that he will bat in, and it will help the team's cause big time."

India's immediate opponents — if you don't count the rain that has been a constant in Nottingham over the past 48 hours — have a surfeit of left-right options. And Ross Taylor was keen to press home that point. "Shikhar is a big loss to India. The presence, he plays very well at ICC tournaments and has a very good record over here. Himself and Rohit Sharma have a very good partnership, and I think they complement each other well because they're right and left-handed," said Taylor. "In terms of our line-up, I think we've had a similar balanced side for a long time, and when you do have a left-right combination, it does put pressure in different ways on the bowling opposition."

Taylor revealed another significant actual advantage, as opposed to mental or psychological, in having a left-right pair: "A lot of these grounds in the UK have a short boundary to one side, and if you've got two right-handers or two left-handers, you can't exploit it as much where obviously having the right and the left hand, and the communication becomes very important to target those short boundaries," said Taylor. "As we see, it's traditionally a short boundary here. If that is the case, then hopefully we can exploit it with the right-left combination."



Rohit Sharma and Shikhar Dhawan have 4,681 runs between them at an average of 45.89

HEAD TO HEAD

MATCHES	106
India	55
New Zealand	45
Tied	1
No Result	5

@ICCWORLD CUP

MATCHES	7
India	3
New Zealand	4

IND-NZ WORLD CUP MATCHES IN BRIEF

1975
Score: India 230 lost to New Zealand 236/8 by 4 wickets
MoM: Glenn Turner (NZ), unbeaten 114 runs

1979
Score: India 182 lost to New Zealand 183/2 by 8 wickets
MoM: Bruce Edgar (NZ), unbeaten 84 runs

1987
Score: India 252/7 beat New Zealand 236/8 by 16 runs
MoM: Kapil Dev (IND), unbeaten 72 runs

Score: New Zealand 221/9 lost to India 224/1 by 9 wickets
MoM: Sunil Gavaskar (IND), unbeaten 103 runs & Chetan Sharma (IND), 3 wickets for 51 runs (first-ever hat-trick in the World Cup)

1992
Score: India 230/6 lost to New Zealand 231/6 by 4 wickets
MoM: Mark Greatbatch (NZ), 73 runs

1999
Score: India 251/6 lost to New Zealand 253/5 by 5 wickets
MoM: Roger Twose (NZ), unbeaten 60 runs

2003
Score: New Zealand 146 lost to India 150/3 by 7 wickets
MoM: Zaheer Khan (IND), 4 wickets for 42 runs

Shikhar will definitely be missed in the next three to four games, but we have a great backup for each position
SANJAY BANGAR

At the Mercy of Rain

Weather is ruining the World Cup experience but reserve day is not feasible



Boria Majumdar

Rain has started to play havoc with the World Cup — matches are getting washed out, roads are a nightmare and traffic snarls every single day. All of a sudden the tournament looks completely out of sync with fans asking the question why aren't there reserve days in a tournament of this scale?

I have been coming the United Kingdom (UK) around this time for several years now, but never witnessed, at least in the last couple of years, a week as wet and as cold as this one. On an odd day you might face harsh weather but a whole week like this is an aberration. You can't plan for aberrations and this wet spell has come as a dampener for everyone — fans, organisers, broadcasters and journalists alike.

In India, we are accustomed to rains causing long delays in traffic and roads becoming impossible to negotiate. England, for the record, is no different. Central London, arguably, is the worst hit. A journey to Nottingham, which is expected to take two hours, is taking close to five hours by car on account of traffic build-ups and occasional flooding. Driving in the rain is not only difficult, it is dangerous too. The worst hit are the fans who have come from all parts of the world to support their teams. A group of doctors who have travelled from the United States to watch the India-New Zealand and India-Pakistan games were ruing their luck. Chances are the India-New Zealand game might be a wash-out with the Met office predicting 80 per cent chance of rain right through the day.

Inclement weather has brought to the fore key questions — why hasn't the International Cricket Council (ICC) kept reserve days? The answer is it is impossible to do so. With the tournament already stretching to 46 days, back-up days for every game means it would become an even longer affair. The cramped international calendar simply doesn't allow the ICC the luxury to prolong the tournament any further. Second, on some days there are two games. A third game, on account of bad weather (if a game spills into the reserve day) would be a broadcast nightmare.

Is Wimbledon the solution then? Should a couple of stadiums have roofs so that cricket, like tennis, can be played indoors? Is that even feasible and a solution in the longer term? Fans, understandably, don't mind the idea as long as they are able to see some action. A family, which has saved up



for the last year and a half to come to the UK and see the World Cup, is every bit for it. "A covered stadium is surely an answer. If Wimbledon can do it so can Lord's," says one of them.

England, unfortunately, isn't equipped to tackle severe weather. Things go out of hand when it rains all day. Add the strong wind to it and there is nothing left of the English summer to soak in and enjoy.

Looking ahead, not all is bleak and gloomy. While the India-New Zealand game is certainly under the scanner on account of rain, the India-Pakistan game in Manchester should see better weather come Sunday. The

prediction isn't as bad and the fans are expected to make Manchester home. One fan from California said it best. "The collective wishes from all of us will make the rain gods feel guilty if they want to influence that game. Even gods won't want to take a chance with that particular match, which is a final before the final."

For the moment though all we can do is play the wait and watch game just like Team India is doing with Shikhar Dhawan. As I round off this piece, I can once again hear the rain pelting down. It isn't a good feeling when the World Cup is at the mercy of the weather.

ICC Statement on Reserve Days

"Factoring in a reserve day for every match... would significantly increase the length of the tournament and practically would be extremely complex to deliver."

It would impact pitch preparation, team recovery and travel days, accommodation and venue availability, tournament staffing, volunteer and match officials' availability, broadcast logistics and very importantly the spectators who in some instances have travelled hours to beat the game. There is also no guarantee that the reserve day would be free from rain either.

Up to 1,200 people are on site to deliver a match and everything associated with it including getting it broadcast and a proportion of them are moving around the country so reserve days in the group stage would require a significant uplift in the number of staff. We have reserve days factored in for the knock-out stages, knowing that over the course

of 45 group games we should play the large majority.

This is extremely unseasonable weather. In the last couple of days we have experienced more than twice the average monthly rainfall for June which is usually the third driest month in the UK. In 2018 there was just 2mm of rain in June but the last 24 hours alone has seen around 100mm fall in the south-east of England.

When a match is affected by weather conditions, the venue team work closely with Match Officials and Ground Staff to ensure that we have the best possible opportunity to play cricket, even if it is a reduced overs game. We also work to keep fans in the stadium, or those travelling to the game, as up-to-date as possible with any information we have, either through public announcements or on our social media channels.

— DAVID RICHARDSON, ICC CEO

Bail-Makers Stumped by 'Zing' Problems at WC

Steve Douglas

It's a matter that has everyone stumped at the Cricket World Cup: Why aren't the balls coming off when the ball hits the wickets?

There were five instances in the first 13 matches of the tournament when the electronic "Zing" balls lit up after being struck but failed to drop from the wickets. Players are unhappy. Spectators and pundits are bemused. The makers of the balls don't understand the glitches, either. "Nothing has changed with the Zing system for years," said David Ligertwood, director of Zing, said in emailed comments.

"The Zing wicket system has operated in well over a thousand games and this issue has not happened frequently."

Ligertwood said Zing is "currently monitoring the situation" and "reviewing all

The Zing wicket system has operated in well over a thousand games and this issue has not happened frequently

DAVID LIGERTWOOD, director of Zing

aspects and at the same time looking into whether there are some practical modifications that can be made in the future to make the balls come off easier."

He said there were "competing interests" that need to be balanced in context. "For example, the game doesn't want the balls coming off too easily," he said. "This issue is obviously important as the game wants batsmen being dismissed when they should be. But even with this unusual spate of balls not falling it remains definitive and it remains the same for both sides."

The International Cricket Council defended the zing balls, saying the

plastic version that contain LED components are actually lighter than regular wooden balls.

Zing balls have been in use since 2012, and featured in the last World Cup in 2015. They help to identify run-outs and stumpings.

The most recent incident happened in the match between India and Australia, when Australia batsman David Warner glanced a delivery by Jasprit Bumrah off his bat, onto his boot and onto the base of the leg stump. The flashing balls lit up but weren't dislodged from the grooves at the top of the wickets. That meant he was not out.

Similar occurrences have also taken place in the following matches: England vs. South Africa, New Zealand vs. Sri Lanka, Australia vs. West Indies, and England vs. Bangladesh.

AP



Australia's David Warner looks back as the ball touches his stumps but does not dislodge the balls

ARCHERY

Indian Men's Team Bags Olympic Berth

Indian men's archery team secured the Olympic quota for the 2020 Tokyo Games by storming into the quarter-finals of the World Championships with a 5-3 win over Canada on Wednesday. They had failed to qualify for 2016 Rio Olympics and had an individual entry in Atanu Das, who had lost in the pre-quarter-finals. "We finally made it. We are gelling well as a team and looking forward to Tokyo now. This is the moment to keep going for 2020," two-time Olympian Rai, a member of the London Olympics, said. "I'm sure the opponents were feeling exactly the same pressure. So the key was to keep calm and it worked well for us," the 35-year-old Army archer said. Up against a team who secured a bye into the last-16 after finishing sixth in the ranking round, the Indian trio started off with three perfect shots including one X to take the first set with a one-point (56-55) lead.

Ibrahimovic Sets MLS Salary Record

LA Galaxy forward Zlatan Ibrahimovic is earning a Major League Soccer-record \$7.2 million salary this season. The 37-year-old Ibrahimovic, who earned a relatively modest \$1.5 million last year, broke the previous mark of Toronto's Sebastian Giovinco, who had \$7,115,556 in total compensation in both 2017 and 2018. The MLS Players Association said Wednesday the average base salary for all players this year is \$3.76,174 and the average guaranteed compensation is \$417,643, including a prorated share of guaranteed money not attributable to a specific year. The average salary for senior roster non-designated players increased 13.3% to \$345,867 and is up from \$138,140 in 2014. Striker Giovanni dos Santos, released by the Galaxy in March, is second with a base salary of \$4.75 million and total compensation of \$6.5 million.

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RNI NO. H/50/249 RNI 62135/195 VOLUME 56 NO. 222

Since 1905, no golfer has won three consecutive US Open titles. Can Brooks Koepka, the winner of last two editions, do it?

Koepka has a Shot at History



Anand Datia

A pair of 80s followed by a 76 and 77 was what it took for William Law Anderson to become the first golfer ever to three-peat at the US Open, a feat that no man has emulated since that 22nd day of September in 1905. Brooks Koepka will have a shot at it this week when he surveys the Pebble Beach Golf Links, site of the 119th US Open.

Koepka has collected four majors with a missionary zeal, not seen since the heyday of Tiger Woods. He has won two each of the US Open and the PGA Championship, since winning his first major at Erin Hills in 2017.

Koepka has two of just 31 successful title defenses in major golf history and the 29-year-old seems ready for the challenge facing him at Pebble Beach. "I'll be up for it, I know that," Koepka says. "I enjoy a tough test of golf and that's what you're going to get at a US Open. You know that going in. I enjoy it. It's fun. It's fun to me to get on those big stages and try to

win, win a golf tournament."

HEIGHTENED INTEREST IN INDIA

Anirban Lahiri poured life into a troubled season with a spectacular qualifying effort at Columbus to secure a spot this week. Three-under after the first round, Anirban roared like a hungry tiger to post a bogey-free seven-under 65 to finish second in the US Open Sectional Qualifier at Brookside and Scioto.

The Indian surpassed the mark of 14 major appearances by Jeev Milkha Singh when he entered the PGA Championship last year. He will extend that to 16 today, when he tees off at the 10th tee with Ollie Schniederjans, Mikumu Horikawa at 0250am (Friday, IST).

2019 has been a difficult season for Anirban having missed seven cuts in 17 starts and ranking dipping to 253rd in the world. But a terrific first round in the Memorial Tournament points to a turnaround and Indian fans will like nothing more than a stellar run at Pebble as the golfer returns to the US Open for the first time since 2016.

WOODS ON A SECOND WIND

With a career like Tiger's he is bound to be chasing history at every corner.



Returning to the site of his epochal 15-stroke victory in 2000, Woods is looking for a 16th major title to emulate the haul of 82 PGA TOUR victories by Sam Snead.

The dramatic victory at Augusta National has put the wind in his sails as Woods seeks to make the most of a late career flourish to embellish the record books with some more stories of his unparalleled prowess as a golfer.

"If I keep progressing how I am physically and how I'm getting better and better, I just need to give myself chances," said a pragmatic Woods. "Hypothetically, let's say I give myself 10 years. That's a lot of major championships. That's a lot of majors."

"And now the trick is, can I keep myself healthy enough and strong enough and fast enough to endure all that, considering what my body has gone through."

PLENTY OF CONTENDERS

The tournament though isn't going to be spun on a narrative featuring Woods and Koepka. There are plenty of other golfers itching to strike and Pebble Beach, considered by many

as the finest test of golf in the US, could bring out the best from those aching for a good piece of silver.

In its sixth outing at the venue, the big question is who might join Jack Nicklaus (1972), Tom Watson (1982), Tom Kite (1992), Woods (2000) and Graeme McDowell (2010) on the winners roll at Pebble, in its centennial year.

Rory McIlroy has two wins this season and ten top-10s in 13 starts. It is tough to ignore an insuch fine form. Dustin Johnson has a painful past at Pebble. Starting the day with a three-stroke advantage, the American burnt himself on Sunday with an 82. His lengthy wait for major glory ended in the 2016 US Open, but he hasn't been able to build on it. The world No.2 has been on a good run recently and his familiarity with the course should help him contend again for honours.

Jason Day underlined his desire to return to the top of his game, bringing in Steve Williams to carry his bag. The caddy has enormous experience looping with Tiger in 13 of his major victories and with Adam Scott when he won the Masters in 2013.

There are a dozen other golfers who could get on the major roster. Koepka though would want the corridor for himself, as he seeks to join Woods (10), Nicklaus (7) and Bobby Jones (7) as the only men to capture five or more majors before turning 30.