

IN BRIEF



SEBI allows futures on commodity indices

MUMBAI The Securities and Exchange Board of India (SEBI) has allowed exchanges with commodity derivatives segment to launch futures contracts on commodity indices. The capital markets regulator further said that exchanges wanting to launch such futures contracts would have to take its approval and submit at least three years' data of the index constructed along with certain other data.

Essel fiasco: HDFC AMC stock tanks 6.3%

NEW DELHI Shares of HDFC Asset Management Company dropped 6.32% to close at ₹1,807.75 on the BSE on Tuesday after it decided to provide liquidity to some fixed maturity plan schemes of HDFC MF that have exposure to Essel Group firms. The move assumes significance with the mutual fund industry grappling with liquidity crisis after concerns over the ability of Essel Group and IL&FS to meet their debt obligations. PTI

Cognizant to buy Irish firm Zenith Technologies

BENGALURU Cognizant has agreed to acquire Ireland-based Zenith Technologies for an undisclosed value. The buy will strengthen Cognizant's Internet of Things capabilities and life sciences domain expertise. Zenith Technologies specialises in implementing digital technologies to manage and optimise drug and medical device production for operational efficiency and regulatory compliance.

Bajaj Holdings acquires majority control in Maharashtra Scooters

Tussle ends; BHIL's holding in MSL rises to 51%

SPECIAL CORRESPONDENT
MUMBAI

After a long legal battle, WMDC (Western Maharashtra Development Corporation), a Government of Maharashtra undertaking, has transferred its 27% stake in Maharashtra Scooters Ltd. (MSL) to Bajaj Holdings & Investment Ltd. (BHIL) for ₹71.58 crore plus 18% interest from January 2006.

WMDC has transferred 3,085,712 shares at a price of ₹232 a share compared with ₹151.63 which BHIL was willing to pay previously.

BHIL said it had made the necessary payment to WMDC by way of cheques on January 14, 2019 and the



Piecing together: WMDC has transferred about 3.1 million shares at ₹232 apiece. • GETTY IMAGES/ISTOCK

shares had been transferred.

Upon the acquisition of 27% stake of MSL from WMDC, BHIL's holding has increased to 51% in MSL and thus, MSL has become a sub-

siary of BHIL with effect from June 17, 2019, the company said. MSL, which was incorporated on June 11, 1975 as a joint sector company promoted by Bajaj Auto Ltd.

(BAL) and WMDC Ltd., started manufacturing geared scooters from August 13, 1976, in technical collaboration with the erstwhile BAL.

WMDC, in 2003, offered to sell its 27% shareholding in MSL and Bajaj Holdings & Investment Ltd. had confirmed its willingness to buy these shares. But since WMDC and BHIL could not agree on a price, the price at which the shares were to be sold was jointly referred to a sole arbitrator that valued MSL at ₹151.63 a share. But the WMDC challenged it in the Bombay High Court and filed a special leave petition. The Supreme Court ordered the revised price.

Readymade garment exports rise in May

'Government scheme aids industry'

M. SOUNDARIYA PREETHA
COIMBATORE

Export of readymade garments has increased 9.25% in April-May this year compared to the corresponding period last year.

"This is clearly because of the support announced by the government in March 2019 for garments and made-ups," said Sanjay K. Jain, chairman, Confederation of Indian Textile Industry. The Centre announced a Scheme for Rebate of State and Central Taxes and Levies (RoSCTL) in March.

"There has been pick up (in exports) during these two months (in April and May). We are awaiting operationalisation of the Scheme for Rebate of State and Central Taxes and Levies," ac-

ording to Chandrima Chatterjee, adviser, Apparel Export Promotion Council.

Garment exports grew 14.15% in May compared with the same period at last year. Garments worth \$1,528.02 million were exported in May this year compared with \$1,338.57 million in May last year, Mr. Jain said. However, textile exports dropped 1.94% in May this year compared with last May. "We are just two months into this financial year. As we go along, export of textiles will pick up.

"There is a slowdown in China and so, export of yarn and fabric to this market was down," said Siddhartha Rajagopal, executive director, Cotton Textiles Export Promotion Council.

Tea Board, mjunction in pact for tea e-marketplace

SPECIAL CORRESPONDENT
KOLKATA

The Tea Board has inked a memorandum of understanding (MoU) with mjunction Ltd. for introducing a new e-marketplace for tea.

The initiative is expected to improve cost-effectiveness and price-discovery. The new system is expected to be in place by September.

The MoU is to design, develop, implement and maintain the e-auction platform at Jorhat, Assam and mjunction has been appointed as the system integrator.

"[The] Tea Board will be provided an inclusive e-marketplace platform that will help in cost effectiveness and time management and secondary and tertiary buyers from all over the country are expected to get on board," mjunction said. Though Assam grows the largest quantity of tea in India, it has only one auction centre and the process of production-to-payment takes over a month. mjunction plans to shorten this cycle with features like automated catalogue management.

Tea Board officials said that they were introducing the platform to push price discovery. The platform is likely to initially handle about 200 million kg (which is grown in the vicinity of Jorhat).

mjunction MD and CEO Vinaya Verma said that the upcoming tea e-marketplace in Jorhat would help the company make a difference to a large number of buyers and sellers, giving them access to a wide range of services from a single platform.

Revolt unveils its first electric bike

Promises mileage of 156 km on a single charge

SPECIAL CORRESPONDENT
NEW DELHI

Electric two-wheeler start up Revolt Intellicorp on Tuesday unveiled its first electric motorcycle – the RV400.

The company, founded by co-founder of Micromax Rahul Sharma, will roll out the bike in Delhi initially, followed by the national capital region, Chennai, Pune, Bengaluru, Hyderabad, Nagpur and Ahmedabad in the next four months.

The bike, which comes enabled with artificial intelligence features, promises to give a mileage of 156 km on a single charge. The pre-bookings for the bike start from June 25 via the company's website as well as Amazon's. "The RV400 is the first step towards providing sus-



Charged up: Pre-bookings for the RV400 start from June 25 via the company's website and Amazon's. • KAMAL NARANG

tainable, affordable mobility to every Indian home," Mr. Sharma said.

To give customers options for charging, the Gurugram-headquartered firm will also set up "swapping stations,"

initially across Delhi where riders can swap their batteries. The rider can 'easily remove' the portable battery to charge at home or office, the company said in a statement.

Cotton imports may rise to 22 lakh bales during the current season

Lower international prices lead to surge in shipments

SPECIAL CORRESPONDENT
COIMBATORE

Import of cotton in the 2018-2019 cotton season is expected to be 22 lakh bales, almost seven lakh bales higher compared with the previous season.

The Cotton Advisory Board, which met on Tuesday, estimated (provisional) cotton production this season (October 2018 to September 2019) to be 337 lakh bales of 170 kg each.

"Though the area under cotton has been almost the same for the last two years, productivity has dropped. The board, in its previous meeting, estimated production in the current season to be 361 lakh bales. However,



it is learnt that farmers did not go in for the fourth or fifth pickings for various reasons. Hence, the production estimate was revised," said K. Selvaraju, secretary general, Southern India Mills' Association, who took part in Tuesday's meeting.

"In our estimate, the actual imports can be between 28 lakh bales and 30 lakh bales when the season ends. The board has estimated it to be 22 lakh bales," he added.

The international price of cotton is lower compared to the domestic price. It is not just the mills, but traders are also importing, especially African cotton. There are offers for American cotton too, added J. Thulasidharan, president of Indian Cotton Federation.

Meanwhile, cotton consumption (total demand) during the current season is expected to be lower at 361.5 lakh bales as against 386.65 lakh bales last season.

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