

# 17 ECONOMY

SENSEX: 39,122.96 ▼ 71.53 NIFTY: 11,699.65 ▼ 24.45 NIKKEI: 21,285.99 ▲ 27.35 HANG SENG: 28,513.00 ▲ 39.29 FTSE: 7,406.82 ▼ 0.68 DAX: 12,275.24 ▼ 64.68

<b>GOLD</b>	<b>RUPEE</b>	<b>OIL</b>	<b>SILVER</b>
₹34,270	₹69.35	\$64.66*	₹39,090

\*Indian basket as on June 21, 2019

International market data till 1900 IST

## POLICY WATCH JALAN COMMITTEE

### Differences in panel: Majority against touching past RBI reserves

Finance Ministry keen on substantial transfer of funds to the government

**SUNNY VERMA**  
NEW DELHI, JUNE 24

**The committee has sought more time to finalise its report**

THE COMMITTEE on recommending the appropriate economic capital framework for the Reserve Bank of India (RBI) is divided over the issue of transferring past reserves including unrealised gains in gold and currency revaluation accounts. Sources said most committee members are in favour of reducing the RBI's excess reserves in phased manner, without any substantial transfer to the government.

justification of various provisions, reserves and buffers presently provided for by the RBI; and (to) review global best practices followed by the central banks in making assessment and provisions for risks which central bank balance sheets are subject to."

The majority view in the committee is that the past reserves of the RBI, especially unrealised gains, in gold and currency revaluation accounts, should not be touched while future transfers should be guided by the new policy.

Prior to setting up of the committee, the Finance Ministry in its discussions with the RBI, had argued that the existing economic capital framework — which governs the RBI's capital requirements and terms for the transfer of its reserves to the government — is based on a very "conservative" assessment of risk by the central bank. The ministry has internally estimated RBI's excess reserves at Rs 3.6 lakh crore.

These are key areas of differences between the government nominee on the panel, Finance Secretary Subhash Chandra Garg, and other members, sources said. The panel headed by former RBI Governor Bimal Jalan, which met on Monday, sought more time to finalise its report owing to the differences on issues. Set up last December, the panel was expected to submit its report by April (within 90 days of its first meeting), but it is now likely in July.

As per Section 47 of the RBI Act, profits of the RBI are to be transferred to the government, after making various contingency provisions, public policy mandate of the RBI, including financial stability considerations. For the year ending June 2018, RBI had total reserves of Rs 9.59 lakh crore, comprising mainly currency and gold revaluation account (Rs 6.91 lakh crore) and contingency fund (Rs 2.32 lakh crore). Many economists and expert panels have in the past argued that the RBI is holding much higher capital than required to cover all its risks and contingencies.

The Committee was set up following discussions between the Finance Ministry and the RBI last year over manner in which the central banks' surplus can be shared with the government. While the Committee is chaired by Jalan, former RBI Deputy Governor Rakesh Mohan, who is against transferring a higher surplus to the government, is the Vice Chairman of the committee. RBI Deputy Governor NS Vishwanathan and RBI Central Board Members Bharat Doshi and Sudhir Mankad are other members of the panel.

Former Chief Economic Adviser Arvind Subramanian said in Economic Survey 2016-17 that the RBI "is already exceptionally highly capitalised" and nearly Rs 4 lakh crore of its capital transfer to the government can be used for recapitalising banks and/or recapitalising a Public Sector Asset Rehabilitation Agency. This proposal was opposed by then RBI Governor Raghuram Rajan.

The committee was set up to "review status, need and

## MUTUAL FUND INVESTMENT IN NBFCs & HFCs Sebi to tighten exposure to HFCs; to seek collateral on loan for shares

**SANDEEP SINGH**  
NEW DELHI, JUNE 24

IN A bid to protect the interest of debt mutual fund investors, the Securities and Exchange Board of India (Sebi) is expected to bring down the exposure limit for debt-oriented mutual fund schemes to the financial services sector from the existing overall limit of 40 per cent.

In another move the Sebi is also expected to introduce a norm for mutual funds that will require them to seek collateral of over two times in cases where they lend money to promoters against their shares.

Currently, while the debt mutual fund schemes are allowed to have exposure of up to 25 per cent at a sectoral level, they are also permitted to have an additional exposure of up to 15 per cent in housing finance companies.

This is, however, set to be reduced as industry sources say that the regulator is concerned over high exposure of debt MF schemes to NBFCs and HFCs that are facing liquidity issues and a decision is likely to be announced soon.

Another source confirmed that both the issues are on the agenda and are likely to be taken up in the scheduled meeting on July 2, 2019.

In February 2017, the Sebi issued a circular increasing the additional exposure limit for debt

### EXPLAINED Regulator's move may push MFs to be more cautious

WHILE MF exposure to debt papers of troubled NBFCs and HFCs has resulted into decline in returns for investors of several schemes across various mutual funds, the Securities and Exchange Board of India (Sebi) move to reduce overall sectoral exposure may push them to be more cautious while investing and picking the right mix of papers without taking undue risk.

oriented MFs into securities issued by HFCs from 10 per cent to 15 per cent in a bid to support funding for the affordable housing segment.

The Sebi circular of February 2017 said, "Presently, the guidelines for sectoral exposure in debt oriented mutual fund schemes put a limit of 25 per cent at the sector level and an additional exposure not exceeding 10 per cent (over and above the limit of 25 per cent) in financial services sector only to HFCs. In light of the role of HFCs especially in affordable housing... it has now been decided to increase additional exposure limits provided for HFCs in financial services sector from 10 per cent to 15 per cent."

Industry sources say that while the regulator had permitted higher exposure limits for MFs into HFCs so as to push re-

tail demand in affordable housing segment, it has been seen that many housing finance companies have instead increased their lending to real estate companies and their projects, thereby exposing the MF investors to higher risk. Hence, Sebi may now reduce the exposure limit.

Another source, however, said, "Sebi is very conscious of the fact that HFCs should not be deprived of funds, so we have to see what it finally decides to do."

On the other hand, while several mutual funds have been offering loan against shares to promoters of companies, the regulator is likely to step in with stringent norms for such lending in light of the recent episode where fixed maturity plans of several of mutual funds came under pressure on account of their exposure in two Zee Group

companies — Konti Infra and Edisons Utility. The MFs provided funds to the Zee Group promoters against their holding in Zee Entertainment.

While fund houses — stuck with investments in Zee Group companies — maintained that their exposure to Konti Infra & Edisons Utility were secured by around 1.5 times cover of Zee Entertainment shares, a source told that Sebi is expected to make a mandatory collateral requirement of at least two times the exposure, in order to safeguard the interest of investors.

Over the last nine months debt-oriented mutual fund schemes have come under pressure on account of their exposure to NBFCs and HFCs that are facing liquidity pressure and have also seen a significant downgrade by the credit rating agencies.

While it started with the default by several IL&FS group companies in September 2018, several companies in the financial services space have witnessed a downgrade of their debt papers by the CRAs.

In several cases, debt MF schemes having exposure to such NBFCs and HFCs saw a sharp decline in their net asset value, thereby eating into the capital and returns of the investors. The NAV per unit is the market value of securities of a scheme divided by the total number of units of the scheme on any particular date.

## Unaccounted money: Wide variation in estimation, says House committee

Preliminary report of Standing Committee on Finance tabled in Parliament on Monday

**ENSE ECONOMIC BUREAU**  
NEW DELHI, JUNE 24

STATING THAT there is a huge variation in estimation of unaccounted income and wealth, the Standing Committee on Finance has said that it expects the Finance Ministry "to bring to book" unaccounted income/wealth both within and outside the country, including follow-up action on the seven reports of the Special Investigation Team (SIT) constituted on Black Money and the three reports on estimation of unaccounted money conducted by NIPFP, NCAER and NIFM.

The committee's preliminary report titled 'Status of Unaccounted Income/Wealth Both Inside and Outside the Country - A Critical Analysis', which was tabled in Parliament on Monday, also asked for finalisation of the long delayed Direct Taxes code "at the earliest" and reintroduce it in Parliament with an aim to simplify and rationalise the direct tax laws in the country.

The committee's report is based on the findings of the three studies conducted by National Institute of Public Finance and Policy (NIPFP), National Council of Applied Economic Research (NCAER) and National Institute of Financial Management (NIFM) and the evidence presented by Finance Ministry, Central Board of Direct Taxes. In March 2011, after observations by an earlier Standing Committee, the Finance Ministry had signed Memorandums of Understanding with NIPFP, NCAER and NIFM to conduct studies to assess and survey unaccounted income and wealth both inside and outside the country.

As per the estimates by NIPFP, the illicit financial outflows have been in the range of 0.2 per cent to 7.4 per cent of the GDP during 1997-2009, while NIFM estimated the total illicit outflow at the present value (including opportunity cost) from India in 1990-2008 at \$216.48 billion. Illicit outflows from the country are estimated on average to 10 per cent of the estimated unaccounted income, the report said.

NCAER estimated the total wealth accumulated outside India between \$384 billion and \$490 billion during 1980-2010.

The wide variation in estimation of unaccounted income ranging from "7 per cent to 120 per

### FINALISE DIRECT TAX CODE: PANEL

■ House panel asks for finalisation of the Direct Taxes code

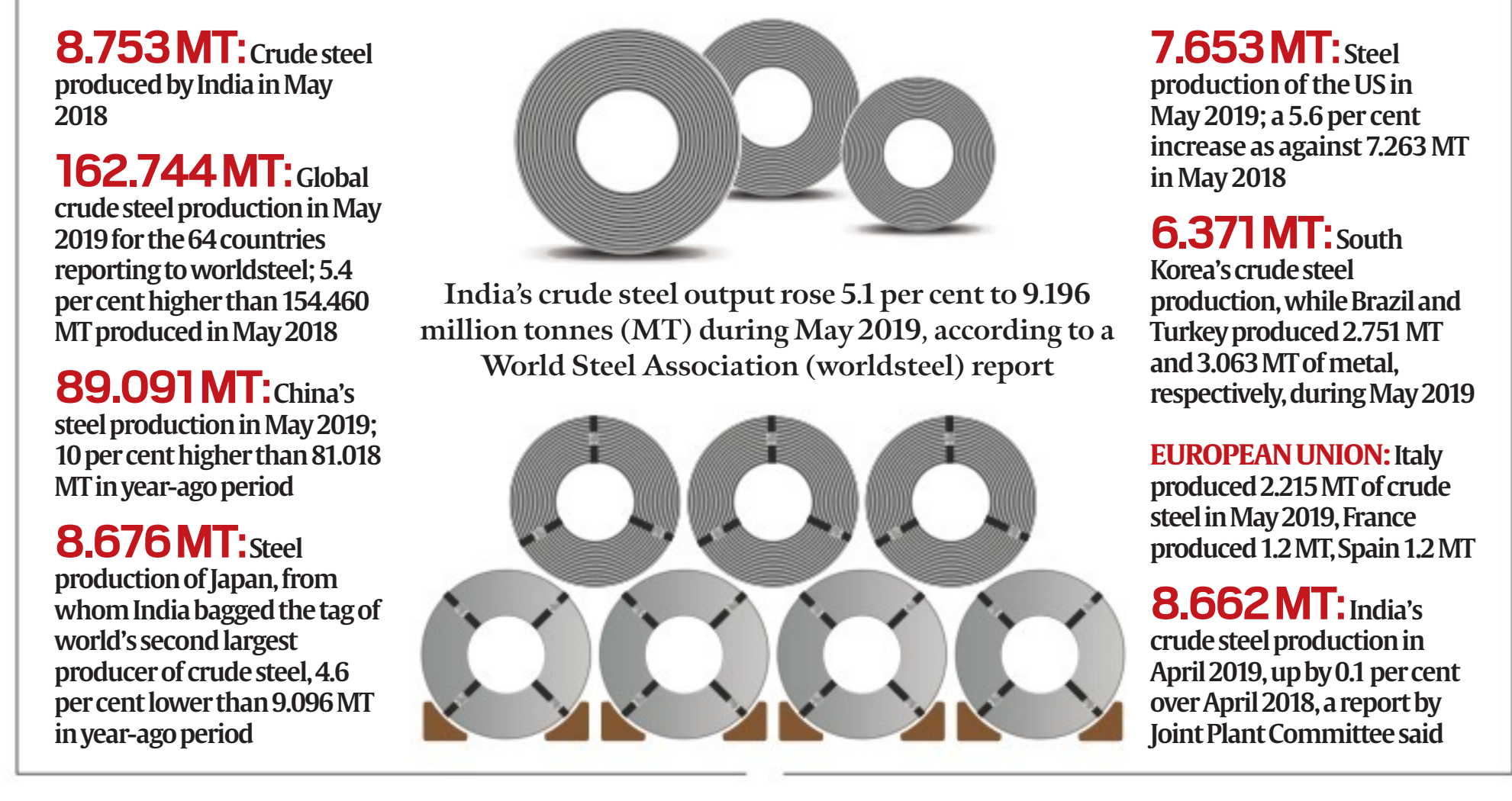
■ The wide variation in estimation of unaccounted income ranging from "7% to 120% of reported GDP" in the 3 studies was highlighted by Revenue Secretary

cent of the reported GDP" in the three studies was highlighted by Revenue Secretary in his deposition to parliamentary committee, while Chief Economic Adviser has opined that "there is no scope for arriving at a common estimate of unaccounted income by combining estimates from three reports".

Stating that it's a preliminary report due to examination of a limited number of stakeholders owing to paucity of time, the Standing Committee observed, "...the Committee would expect the Ministry of Finance (Department of Revenue) to continue their efforts with greater vigour to unearth and bring to book unaccounted income/wealth both within and outside the country including follow-up action on the seven reports of the Special Investigation Team (SIT) constituted on Black Money as well as the three study reports on estimation of unaccounted money. The Committee would thus expect more fruitful outcomes on this count, both in terms of much wider tax base as well as actual tax yield."

The standing committee also said the sectors where unaccounted income is found to be highest includes real estate, mining, pharmaceuticals, pan masala, gutka and tobacco industry, bullion and commodity markets, film industry, educational institutes and professionals. The other sectors namely securities market and manufacturing also showed high incidence of unaccounted income, the report said. The committee, headed by M Veerappa Moily, had submitted its report to the Lok Sabha Speaker on March 28, before the dissolution of the 16th Lok Sabha. Following the general elections, 17th Lok Sabha has been constituted.

## 'India's crude steel output grows 5% in May'



## 2-wheeler makers object to EV transition timeline

**ENSE ECONOMIC BUREAU**  
NEW DELHI, JUNE 24

FOLLOWING A meeting in the NITI Aayog last Friday over push for electric mobility in two- and three-wheelers, the electric vehicles industry and those using internal combustion engine (ICE) are divided over timelines proposed by government think tank.

The Aayog asked the two- and three-wheeler makers to suggest within two weeks concrete steps towards transition to electric mobility keeping in mind 2025 deadline. Strongly objecting to NITI Aayog's proposal to transition to electric vehicles (EVs) for three-

### Thakur: GST Council to consider reducing tax on electric vehicles

New Delhi: The GST Council will consider reducing tax on electric vehicles, which are seen as more environment-friendly, and the matter is pending before it, Minister of State for Finance Anurag Thakur informed the Lok Sabha on Monday.

wheelers and two-wheelers, Bajaj Auto and TVS Motor Monday said the policy has not been made with adequate study

chain, and migrate from the current supply chain," TVS Motor Co chairman & managing director Venu Srinivasan said, as per a PTI report.

Srinivasan further said, "we have said we will take four months to come with a plan. The plans will start with one city (that has the highest number of two-wheeler population) and that too, to a percentage of one city and migrate over a period of time."

Asserting that a "black or white, zero-one change" is not possible "with 20 million vehicles, \$15 billion in sales, one million employees", he said and added that "the whole thing is not thought through. I hope saner

thoughts will prevail and people will think through the real implications of all this." Bajaj Auto managing director Rajiv Bajaj said "we believe 100 per cent transition is completely uncalled for".

The Friday meeting was attended by top officials of major two-wheeler manufacturers, including Rajiv Bajaj, Srinivasan along with SIAM director-general Vishnu Mathur, among others.

NITI Aayog Vice-Chairman Rajiv Kumar and CEO Amitabh Kant represented the think tank. NITI Aayog has planned transitioning to full EVs for three-wheelers by 2023 and two-wheelers with an engine capacity less than 150 cc by 2025.

## RBI launches system to lodge complaint against any regulated entity

**ENSE ECONOMIC BUREAU**  
MUMBAI, JUNE 24

The Reserve Bank of India on Monday launched a Complaint Management System (CMS) by providing a single window on Reserve Bank's website for lodging complaints against any regulated entity.

According to the RBI, the application also improves transparency by keeping the complainants informed through auto-generated acknowledgements and enabling them to track the status of their complaints and file appeals online against the decisions of Ombudsmen, where applicable. "Further, complainants can also voluntarily share feedback on their experience in obtaining redressal," it said.

The complaint would be directed to the appropriate Office of the Ombudsman/Regional Office of the RBI. RBI Governor Shaktikanta Das said data from CMS can be leveraged by the Reserve Bank for analytics which can be used for regulatory and supervisory interventions, if required. Various dashboards provided in the application will help Reserve Bank to effectively track the progress in redressal of complaints, he said.

"I take this opportunity to seek the co-operation of all RBI regulated entities with public interface such as commercial banks, urban co-operative banks, non-banking financial companies (NBFCs), etc.

### 'DATA TO BE USED FOR ANALYTICS'

■ The complaint would be directed to the appropriate Office of the Ombudsman/Regional Office of the RBI

■ Data from CMS can be leveraged by RBI for analytics which can be used for regulatory and supervisory interventions, Das said

in resolving customer complaints in a speedy and meaningful manner to promote public confidence in the financial system," Das said. "Sustaining the confidence of consumers in banks and other financial service providers (FSPs) through prompt and effective grievance redressal, together with empowering customers through education is pivotal for maintaining trust in the banking system," he said. The Reserve Bank also plans to introduce a dedicated interactive voice response (IVR) system for tracking the status of complaints.

## Effective tax base growth highest in five years

**ENSE ECONOMIC BUREAU**  
NEW DELHI, JUNE 24

THE EFFECTIVE taxpayer base grew 13.5 per cent for the assessment year (AY) 2018-19, recording the highest rate in the last five years, the Finance Ministry said in a reply in the Lok Sabha. The tax base, which includes assesses filing I-T returns along with those whose tax is deducted at source, rose to 8.44 crore in 2018-19, compared with 7.42 crore in FY 18.

Even though the direct tax collection missed the revised estimate by Rs 62,000 crore, it grew by 13.5 per cent compared with FY 18. It was second-slowest growth in direct tax collection in last five years. The Budget estimate for current fiscal shows that collections would need to increase by over 22 per cent from actual collections. "The direct-tax GDP ratio for the FY 2017-18 was 5.86 per cent and for 2018-19, it was 5.98 per cent (provisional)," it said.

The e-refunds filing also grew by nearly 19 per cent in AY 19 to 6.49 crore, compared with 5.47 crore for AY 18, it said. It said while IT department issued over 1.61 lakh crore in refunds in last fiscal, it has already issued Rs 64,700 crore in refunds till June 18. "All field authorities have been instructed to issue refunds up to Rs 5,000 without any adjustment against outstanding demand," the ministry said. FE

## ON G20 SIDELINES

### Modi, Xi, Putin to discuss US trade policies: China

**KJM VARMA**  
BEIJING, JUNE 24

CHINESE PRESIDENT Xi Jinping will hold meetings with Prime Minister Narendra Modi, Russian President Vladimir Putin and other leaders of the BRICS grouping during the G20 Summit in Japan this week where the talks would be focussed on opposing the "unilateralist" and "protectionist" trade policies of US, a senior Chinese minister said Monday.

China, which is seeking to build a strong opposition against US President Donald Trump using trade and tariffs as a weapon to enforce his "America first" policy,

said the issues of "unilateral" and "protectionist" policies would be discussed in detail at the meetings of the leaders of Brazil, Russia, India, China and South Africa (BRICS) and Russia, India and China (RIC) at Osaka.

The G20 summit would be held at Osaka on June 28-29. Chinese President Xi Jinping will go there a day ahead of the Summit to take part in host of informal meetings including his meeting with Trump for key talks to end bruising trade war between the two countries.

Modi, Xi and Russian President Vladimir Putin met at the recently held Shanghai Cooperation Organisation (SCO)

summit at Kirgiz capital Bishkek. Highlighting the importance of Modi-Xi-Putin meeting at Osaka, China's Assistant Foreign Minister Zhang Jun said, "Given the current international landscape, the meeting among the three leaders is also of significance. As you know, China's relations with Russia and India are showing sound momentum of growth."

While informal meetings of the BRICS and the RIC take place in all the multilateral summits, Chinese officials say the Osaka meeting assumes significance as all major countries besides India, China and Russia are facing trade and tariff-related frictions with the US. PTI

### China: Both nations must make compromises in trade talks

Beijing: Ahead of Chinese President Xi Jinping's meeting with his American counterpart Donald Trump this week, China has said that it would not agree to any trade deal with the US at the expense of its sovereignty and both sides should make compromises to break the deadlock over issue.

Xi and Trump will meet in Osaka, Japan on the sidelines of the G-20 summit on June 28-29. Addressing the media

here ahead of Xi-Trump meeting, China's Vice Minister of Commerce Wang Shouwe said talks between teams from the US and China are underway to make preparations for the meeting.

He said Beijing insists any agreement would be based on mutual respect, which meant respecting sovereignty, treating each other as equals and win-win outcomes benefiting both nations. PTI



# Send medical reports to JJ Hospital for analysis: HC to Choksi

EXPRESSNEWSERVICE  
MUMBAI, JUNE 24

THE BOMBAY High court on Monday asked Mehul Choksi to send his medical papers and reports to JJ Hospital, so that it can analyse them and submit a report to the court stating whether he is fit to travel to India. In April, Choksi had approached the court claiming that he had not deliberately avoided joining the investigation against him in the Punjab National Bank (PNB) alleged fraud case, but was unable to return because of his medical condition.

Choksi has filed an appeal against the trial court's order, claiming that his inability to return cannot be seen as his refusal to return and hence the provisions of the new legislature, Fugitive Economic Offenders (FEO) Act cannot be invoked against him.

A division bench of Justice Indrajit Mahanty and Justice AM Badar directed Choksi to send his medical papers and records by Monday to the Head of Department of Cardiology at JJ Hospital, who will analyse them and submit a report by July 9 stating whether he is fit to travel to India. The court adjourned the matter to July 10.

**The HC has directed that the records be analysed by doctors at JJ Hospital, who will then submit a report by July 9 stating whether Choksi is fit to travel to India**

The Enforcement Directorate (ED) told the bench that it was willing to provide an air ambulance to bring Choksi to India from Antigua. On a request by Choksi's lawyer, the bench directed the ED to take instructions on whether Interpol's red corner notice could be relaxed for him to travel to Miami from Antigua for further treatment. The court also asked Choksi's lawyer to take instructions from him, on any particular hospital he wants to go to in India.

In the petition, Choksi has claimed that his medical records show that he has several blocked arteries and he was advised by-pass surgery by doctors, following which he had travelled abroad and continued to suffer from various ailments. He further said that he is "constrained from traveling" as he needs continuous monitoring and medical supervision.

# Jet creditors asked to submit claims by July 4

PRESS TRUST OF INDIA  
MUMBAI, JUNE 24

THE RESOLUTION professional for Jet Airways, which was admitted to the NCLT last week for bankruptcy, has invited claims from all creditors to the grounded airline.

The airline owes over Rs 8,500 crore to a consortium of 26 banks led by State Bank, and over Rs 13,000 crore to the tens of hundreds of vendors and around 23,000-odd employees.

"The creditors of Jet Airways are hereby called upon to submit their claims with proof on or before July 4, to the interim resolution professional. Financial creditors shall submit their claims with proof by electronic means only," resolution professional Ashish Chhawchharia of Grant Thornton said in a public notice.

All other creditors shall submit their claims with proof in person, by post or by electronic means, it added. The lenders, who had been owning the airline since March 25 with 51 per cent stake, had on June 17 decided to take the airline, which stopped flying on April 17, to the NCLT as they could not find a buyer.

# SINGLE JUDGE BENCH OF HC HAD DISMISSED SIMILAR PLEA IN 2016 HC upholds 2016 arbitral award; Mehra brothers to pay ₹700 cr

Brothers 'siphoned off' money from WWIL, a JV with Germany's Enercon GmbH

EXPRESS NEWS SERVICE  
MUMBAI, JUNE 24

THE BOMBAY High Court on Monday upheld an arbitral award, directing city-based businessmen brothers Yogesh Mehra and Ajay Mehra to pay about Rs 700 crore 'siphoned off' by them from a joint venture (JV) company between them and German wind turbine major Enercon GmbH.

The order, passed by a single judge bench of the high court in the arbitral award, was challenged by Mehra brothers before the bench of Chief Justice Pradeep Nandrajog and Justice N M Jamar. The bench dismissed the petitions of the siblings and said, "The majority Award is liable to be upheld in its entirety."

The bench, in its order, said, "This Court finds no perversity in the approach adopted by the Arbitral Tribunal in directing the Mehra brothers to recompense WWIL; the independent jural entity from whose exchequer the funds had been diverted.

## ALLEGATIONS OF MISMANAGEMENT OF WWIL

■ In or around 2006, certain disputes arose between the parties, including allegations of mismanagement of WWIL by the Mehras; and non-payment of royalties and the nature of the technology rights granted by EG to WWIL

■ After several rounds of litigation, the Supreme Court appointed a presiding arbitrator. The three member tribunal, by majority of two and one dissenting member, passed the award in 2016

Rather, such a course is fair and inures to the advantage of the Mehras as they are themselves shareholders to the tune of 44 per cent in WWIL."

The Mehra brothers, petitioners in the arbitration proceedings filed in 2016, had set up a renewable energy business. They entered into a joint venture agreement (JVA) to set up a company Wind World India Limited (WWIL). WWIL was set up between Enercon GmbH (EG) — a German entity which holds 56 per cent of the shares of WWIL. The Mehras and their family members hold the remaining 44

per cent shares. In or around 2006, certain disputes arose between the parties, including allegations of mismanagement of WWIL by the Mehras; and non-payment of royalties and the nature of the technology rights granted by EG to WWIL.

The dispute also arose out of an intellectual property license agreement (IPLA) which one of the parties, the Mehras and WWIL contended to be a draft. After several rounds of litigation, the Supreme Court appointed a presiding arbitrator. The three member tribunal, by majority of

two and one dissenting member, passed the award in 2016.

The award held that WWIL was due to make payments of royalties of 55 million euros (plus interest) to EG and return the technology previously provided by EG to WWIL; WWIL was due to make payments of parts and components previously supplied by EG to the tune of 19 million euros (plus interest) and the Mehras had siphoned off sums to the tune of almost Rs 700 crore from WWIL into Vish Wind Infrastructure Ltd (a company owned by the Mehras themselves), which they were directed to repay to WWIL.

WWIL and the Mehras challenged this arbitral award before the Bombay High Court in the same year. Justice A K Menon dismissed the petition, stating that the petitioners' case is that "they were prejudiced by want of a proper opportunity to defend the case against them and resulting in the award being perverse has not been made out." The order of Justice Menon was challenged before the bench.

# Binny Bansal 'sells' his Flipkart shares worth \$76 mn to Walmart; reduces stake to 3.52%

ENSE ECONOMIC BUREAU  
NEW DELHI, JUNE 24

FLIPKART CO-FOUNDER Binny Bansal has offloaded a portion of his equity shares in the e-commerce firm to its new owner Walmart for a consideration of \$76 million, according to information sourced from business intelligence platform *paper.vc*.

Walmart had, last year, acquired 77 per cent stake in Flipkart for \$16 billion, in a deal which saw the other co-founder Sachin Bansal completely exit the firm.

Binny — whose shareholding has been reduced to 3.52 per cent from 3.85 per cent after the latest sale — continued with the e-commerce company in a management position after the takeover by American retail giant.

However, he resigned a few months later following an investigation by Walmart into allegations of personal misconduct.

"Bansal transferred 5,39,912 equity shares to FIT Holdings SARI, Walmart's Luxembourg entity. Our data, derived from

**5,39,912 SHARES TRANSFERRED**

■ According to *paper.vc*, Binny Bansal transferred 5,39,912 equity shares to Walmart's Luxembourg entity FIT Holdings SARI.

■ Recently, he resigned following a probe by Walmart into allegations of personal misconduct

Flipkart's filings, indicate that with this transfer, Binny Bansal has monetized a small portion of his shareholding for what appears to be a cash consideration of \$76.4 million," *paper.vc* noted.

Currently, other significant shareholders in Flipkart include Aceville, Tiger Global, Accel India and Microsoft, among others. An e-mail query sent to Binny Bansal did not elicit any response at the time of going to press.

# Federal Reserve like a 'stubborn child': Trump

AGENCE FRANCE PRESSE  
WASHINGTON, JUNE 24

US PRESIDENT Donald Trump on Monday renewed his attacks on the Federal Reserve, saying the central bank's reluctance to cut interest rates was standing in the way of blowout economic expansion. The Fed last week left benchmark US lending rates untouched but signaled it could ease them soon if the economic outlook deteriorates.

"Despite a Federal Reserve that doesn't know what it is doing... we are on course to have one of the best Months of June in US history," Trump tweeted, arguing that lower rates would have driven GDP growth rates as high

as five per cent.

"Now they stick, like a stubborn child when we need rate cuts & easing, to make up for what other countries are doing against us. Blew it!" Last week, Fed Chairman Jerome Powell opened the door to a rate cut, saying persistent trade friction and slowing global growth, among other factors, had "strengthened" the case for looser monetary policy.

A single member of the Fed's rate-setting Federal Open Market Committee pushed for an immediate cut to help preserve the economic expansion.

But Powell insisted on the central bank's political independence, brushing aside news reports that Trump had considered demoting him.

# 'G20 erected 20 new trade barriers, but 29 barriers fell'

GENEVA: The world's 20 most advanced economies, the G20, erected 20 new trade restrictions between October and May, covering trade worth \$335.9 billion, the World Trade Organization (WTO) said Monday, warning that several more were being considered.

Together with trade barriers covering \$480.9 billion in the previous period, the rise in new barriers represents "a dramatic spike" in import restrictions, the WTO said in a report before a G20 meeting. The monitoring report said G20 economies also implemented 29 measures to reduce trade barriers during the period, covering \$397.2 billion. REUTERS

# Promoters sell 10% stake in Emami for ₹1,230 cr

ENSE ECONOMIC BUREAU  
KOLKATA, JUNE 24

FMCG CONGLOMERATE Emami Group has raised Rs 1,230 crore through a stake sale, mainly to be used for reducing debt at the promoters level, the firm said Monday. The company divested 10 per cent stake to marquee institutional investors on the floor of the stock exchange.

The total promoter stake in Emami Limited, subsequent to the stake sale, stands at a controlling majority of 52.74 per cent. The promoters intend to maintain this controlling majority stake in Emami without further diluting it, a company statement said. Emami Group's promoters

have an adequate pool of diverse assets, the valuation of which are quite high. With a view to further lower debt and reap the benefits of such investments, the process of identification for divestment of such assets has been initiated. This could pare the debt of the Emami Group in six-eight months.

Mohan Goenka, director, Emami Group, said, "The promoters are committed towards being proactive in addressing business and industry challenges and working in the best interests of all Emami Group stakeholders; the stake sale and asset identification activity are examples of steps toward this commitment."

Director Aditya Agarwal added that deleveraging the debt was the company's priority. FE

# 'Apple Watch looks to augment physician-patient bond'

ANUJ BHATIA  
NEW DELHI, JUNE 24

WHEN THE Apple Watch Series 4 was announced last year with advanced heart monitoring, ECG and fall detection, it was designed to bridge the doctor-patient divide. "We design products to be used in partnership with your physician," explains Dr Sumbul Desai, Apple's vice president of Health.

Dr Desai — who was vice-chair of strategy and innovation for the department of medicine at

Stanford Medical before joining Apple in 2017 — says she fundamentally believes there is something about the physician patient relationship that's really "sacred and special". "So if we can find ways to augment that relationship, that's what we're trying to do, we think there's an ability to

allow you to engage with your physician in a more meaningful way," says Desai, who also has a degree in computer science from Rensselaer Polytechnic Institute and has worked at IBM, ABC and Disney. She also serves as a clinical associate professor of medicine at Stanford Medical, in addition to

her responsibilities at Apple.

"If you think about your physician visits, part of the time is spent gathering data and part of the time is spent counselling and educating you. Most physicians want to spend more time counselling and educating," Dr Desai said, explaining the importance of the Apple Watch, which can now collect a user's vital data.

Apple can now help get the data and then give it to their physician in "a meaningful way," she told *indianexpress.com*, adding that this will have "richer conver-

sations with the doctor and allow for more time for counselling and education that's personalised."

When Apple launched a host of new health features with the Series 4, industry insiders observed that Apple was doubling down on health and fitness. "When we think about health, we think about it from a broad perspective of how do we empower individuals to live a healthy life," Dr Desai said, adding that Apple's key focus is to democratise health data and let it be used to empower consumers live a healthy life.

**Karnataka Soaps & Detergents Limited**  
(A Government of Karnataka Undertaking)  
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Date: 24.06.2019

**NOTICE INVITING TENDER**  
Tenders are invited by KS&DL in two cover system through e-Procurement Portal (Website <https://eproc.karnataka.gov.in>) with respect to supply of the following Materials/Services.

Sl. No.	Tender Number	Tender Name	Qty.	Published Date	Last date for Bid Submission
1	KSDL/2019-20/IND3845	Procurement of Fevicol SA 7505 Synthetic Adhesive Grannules	8000 Kgs	15.06.2019	16.07.2019
2	KSDL/2019-20/IND3846	Procurement of Musk Booster (M/s. Symrise)	11000 Kgs	20.06.2019	19.08.2019
3	KSDL/2019-20/IND3847	Procurement of Sandalwood Oil Booster (M/s. IFF)	8000 Kgs	20.06.2019	19.08.2019

Please visit KS&DL website: <https://www.mysore.sandal.org> for further details. For any queries/clarification, contact the undersigned.  
Sd/- Asst. Gen. Manager (Materials)

# 'Tax us more,' US billionaires say

AGENCE FRANCE PRESSE  
NEW YORK, JUNE 24

"TAX US more!" was the message on Monday from about 20 super-wealthy Americans who urged presidential candidates to back higher taxes on the wealthiest to confront climate change and other priorities.

"America has a moral, ethical and economic responsibility to tax our wealth more," said the group, which included George Soros, Facebook co-founder Chris Hughes, descendants of Walt Disney and the owners of the Hyatt hotel chain.

"A wealth tax could help ad-

dress the climate crisis, improve the economy, improve health outcomes, fairly create opportunity, and strengthen our democratic freedoms. Instituting a wealth tax is in the interest of our republic."

Signers pointed out that fellow-billionaire Warren Buffett has said he is taxed at a lower rate than his secretary.

The letter alluded to support among Democratic presidential candidates for higher taxes on the super-wealthy, including Pete Buttigieg and Beto O'Rourke.

But the letter noted broad bipartisan support for taxing the super-wealthy, saying "some ideas are too important for America to be part of only a few candidates'

# BRIEFLY 'Acharya's early exit not to roil markets'

New Delhi: The early exit of RBI Deputy Governor Viral Acharya was not surprising and will not roil the markets, State Bank of India said in its 'Ecowrap' research report.

# RITES to issue bonus shares in 1:4 ratio

New Delhi: Railway consultancy firm RITES said on Monday that it will issue one share to its shareholders for every four shares they hold.

# TCS hikes stake to 66% in Japanese JV

New Delhi: Tata Consultancy Services (TCS) Monday said it is raising its holding to 66 per cent in TCS Japan Ltd, its joint venture with Mitsubishi, with an investment of 3.5 billion yen (Rs 226.2 crore). PTI

# Bitcoin trades above \$11K, after 10% leap

London: Bitcoin tested 15-month highs on Monday after jumping more than 10 per cent over the weekend. The original cryptocurrency was last up 1.9 per cent at \$11,039.62 on the Bitstamp exchange.

# Oil prices slip on demand fears

New York: Oil prices edged lower on Monday as crude demand concerns resurfaced and possibility of an US-Iran conflict faded. Brent crude futures were down 69 cents, or 1.1 per cent, at \$64.51 a barrel at 1:39 pm, while US crude futures shed 5 cents, or 0.1 per cent, to \$57.38 a barrel.

# Huawei mail ban: FedEx apologises

Bengaluru: FedEx Corp has apologised for another Huawei delivery "mistake," reigniting Chinese ire and drawing the fire of state media which suggested the US delivery firm could end up on China's upcoming list of companies that harm national interests. REUTERS

**KOLKATA METROPOLITAN DEVELOPMENT AUTHORITY**  
e-NIT No.: 09/SE(EG)/WS/KMDA of 2019-2020  
e-Tender is invited by the Superintending Engineer, East Circle, W&S Sector, KMDA, 'C'-Block, 2nd Floor, Unnayan Bhavan, Salt Lake City, Kolkata-700091 from eligible and resourceful contractors for the works: Sl. No. & Name of Work; Estimated Amount; Earnest Money are as follows: (1) Laying of D.I. (K-9) pipes as clear water rising main having dia varies from 900 mm dia to 600 mm dia including temporary and permanent road restoration work from Lake Town 15 MGD WTP to Jessore Road within South Dum Dum Municipality; ₹ 2,79,83,433/-; ₹ 5,59,668/-. (2) Same as Sl. No. 1. 400 mm dia to 300 mm dia including temporary and permanent road restoration work from Jessore Road to eight nos ESR at Ward no. 28, 29, 30, 18, 19, 31 and 35 within South Dum Dum Municipality. ₹ 2,60,34,052/-; ₹ 5,20,681/-. Time of Completion: 180 Days for both Sl. No. Last date & time of submission of bids online: 16.07.2019 upto 18.50 hrs. For details contact the above office or visit KMDA websites. KMDA/T-131/Expression(5)/19-20  
Visit : [www.wbtenders.gov.in](http://www.wbtenders.gov.in) or [www.kmdaonline.org](http://www.kmdaonline.org)

GOVERNMENT OF INDIA, DEPARTMENT OF SPACE  
INDIAN SPACE RESEARCH ORGANISATION  
(CONSTRUCTION & MAINTENANCE GROUP)  
ISRO TELEMETRY TRACKING AND COMMAND NETWORK (ISTRAC)  
Plot No. 12 & 13, 3rd Main, 2nd Phase,  
PEENYA INDUSTRIAL AREA, Bengaluru-560 058  
Ph: 080-28994182, 4541 Fax: 080-28994180

**BRIEF E-TENDER NOTICE, CORRIGENDUM-I Dtd: 24.06.2019**  
1. On behalf of President of India, item rate E-Tenders is invited from Contractors of appropriate class for following work

NIT No.: ISTRAC/IMG/IE/CON/E-TENDER-18/2019-20 Dated: 27.05.2019

Name of Work: Proposed building for RDA & MEOSAR Ground segment at SCC, ISTRAC, Bangalore (Supply, Installation, Testing & Commissioning of UPS systems) (2" CALL)

Estimate Cost put to Tender	Rs. 76.21 Lakhs
Tender Document details	E-Tender
Period of Completion in months reckoned from the 15th Day of date of issue of work order	03 Months
Period during which tender document can be downloaded	From 29.05.2019 to 12.06.2019 till 14.00 hrs. Extended upto 14.00 hrs. on 01.07.2019
Bid Clarifications	From 30.05.2019 to 13.06.2019 till 16.00 hrs. Extended upto till 16.00 hrs. on 02.07.2019
Last date of reply to Bid Clarification	14.06.2019 upto 11.00 hrs. Extended upto 11.00 hrs. on 03.07.2019
Last date & time for receipt of tenders	15.06.2019 upto 14.30 hrs. Extended upto 14.30 hrs. on 04.07.2019
Due date and time of opening of tenders	20.06.2019 after 11.00 hrs. Extended to 10.07.2019 after 11.00 hrs.
Earnest money deposit (EMD)	Rs.1,52,420/-

2. Interested Tenderers may please refer Detailed Notice Inviting Tender (NIT) for eligibility criteria and other details in website: [www.isro.gov.in](http://www.isro.gov.in) and download the tender documents from [www.tenderwizard.com/ISRO](http://www.tenderwizard.com/ISRO) GROUP HEAD-CMG, ISTRAC

**GUJARAT URJA VIKAS NIGAM LIMITED**  
Sardar Patel Vidyut Bhavan Race Course,  
Vadodara-390007 PBX : (0265) 2310582-86  
[www.guvnl.com](http://www.guvnl.com)  
CIN U40109GJ2004SGC045195 (An ISO 9001:2008 Company)

**NOTICE INVITING TENDER**  
GUVNL invites Tenders for procurement of 200 MW Solar Power through Competitive Bidding (followed by e-reverse auction) from Solar PV Power Projects to be set up in 700 MW Raghnesda Solar Park through RfS No. GUVNL / 200 MW / Solar (Phase VI) dated 24.06.2019. For tender documents (RfS, PPA) please visit the website [www.bharat-electronicstender.com](http://www.bharat-electronicstender.com) and [www.guvnl.com](http://www.guvnl.com). The last date of bid submission is 24.07.2019.  
Date: 25-06-2019 General Manager (IPP)

**GUJARAT URJA VIKAS NIGAM LIMITED**  
Sardar Patel Vidyut Bhavan Race Course,  
Vadodara-390007 PBX : (0265) 2310582-86  
[www.guvnl.com](http://www.guvnl.com)  
CIN U40109GJ2004SGC045195 (An ISO 9001:2008 Company)

**NOTICE INVITING TENDER**  
GUVNL invites Tenders for procurement of 750 MW Solar Power through Competitive Bidding (followed by e-reverse auction) from Solar PV Power Projects to be set up in 1000 MW Dholera Solar Park through RfS No. GUVNL / 750 MW / Solar (Phase VII) dated 24.06.2019. For tender documents (RfS, PPA) please visit the website [www.bharat-electronicstender.com](http://www.bharat-electronicstender.com) and [www.guvnl.com](http://www.guvnl.com). The last date of bid submission is 24.07.2019.  
Date: 25-06-2019 General Manager (IPP)

# FB's Clegg rejects break-up calls, prefers more regulation

Berlin: Facebook dismissed calls for a break-up of the world's biggest social network and other big internet companies on Monday, saying this would not tackle issues such as privacy, attempts to influence elections or harmful content.

"Just because it is difficult to regulate the internet doesn't mean policy makers should jump to the alternative of wishing these companies away. The internet does need competition and it does need regulation... we want to work with governments and policymakers to design the sort of smart regulation that fosters competition, encourages innovation and protects consumers," Nick Clegg, Facebook's head of global affairs, said here Monday.

Last week seven US Senate Democrats asked the Trump administration to disclose details of possible Federal Trade Commission and Justice Department antitrust investigations into Amazon, Facebook, Alphabet and Apple. REUTERS