

SECTOR WATCH PHARMACEUTICALS

Panel to firms: Prove that 324 combination drugs are safe to use

PRABHA RAGHAVAN
NEW DELHI, JUNE 5

A DRUG advisory body sub-committee has asked pharmaceutical companies to prove that 324 combination medicines are safe and effective for patients to consume in order to decide whether these drugs should continue to be sold in India.

These medicines, known as fixed dose combinations (FDCs), were declared "irrational" by a Health Ministry expert committee set up in 2014 headed by former KLE University Vice-Chancellor, CK Kokate. An FDC is a cocktail medicine with two or more therapeutic ingredients packed in a single dose and administered in various forms, including syrups, tablets, inhalers, injections and skin creams. When an FDC is "irrational", there may not be a rationale for creating such a combination and it may not be safe for use, effective or required.

To give an opportunity to drug makers to defend the 324 FDCs, the sub-committee has given the companies until June 30 to submit and present "precise data". The committee is expected to submit its recommendations by July.

It has sought various details, including whether the combinations were approved by apex drug regulator, which other countries they are sold in and proof that they are safe for consumption. The sub-committee has asked if these drugs were approved and marketed in India before 1988 — a cut-off that several drug makers have used in the last three years in court cases to get lifted ban on their combination drugs.

The drugs in the latest list are not the same as 350 FDCs that Health Ministry had attempted to ban in 2016 and 2017, which included popular cough syrups and painkillers like Phensedyl and Saridon. Unlike the previous list of FDCs,

The medicines, known as fixed dose combinations, were declared 'irrational' by a Health Ministry panel set up in 2014

which were altogether valued over Rs 2,500 crore, the new list consists of combinations that contribute much less to the Indian pharmaceutical market at present. Yet, brands by larger pharma companies might figure in the latest list, as per data from pharmaceutical market research firm AIOCD Awacs PharmaTrac. This includes cough syrups, painkillers, certain eye drops, injections and dermatological products. Eight of the drugs in the list alone contribute around Rs 454 crore, with combinations like painkiller aceclofenac + paracetamol and diabetic kidney disease drug taurine + acetyl-cysteine contributing around Rs 290 crore and Rs 65 crore each, as per PharmaTrac.

The Kokate Committee discussed a total of 418 FDCs "in detail" in consultation with subject experts of relevant therapeutic areas, examined "all" the data submitted by the companies and also reviewed scientific data before it de-

clared these 324 FDCs "irrational", according to minutes of the Drugs Technical Advisory Board (DTAB) that formed the sub-committee to look into the issue in April.

"The FDCs which have been declared as irrational need to be prohibited under Drugs and Cosmetics Act, 1940 as other safer alternatives to those combinations are available," stated the Committee's report, as cited by DTAB. Senior government officials earlier told *The Indian Express* that India has become a "dumping ground" for irrational FDCs, with thousands of combinations being sold in the market.

Although backlogs have increased throughout the past three years, the accumulation recorded in May was the weakest, as per the survey. The data comes at a time when GDP growth hit a five-year low of 5.8 per cent in March quarter. **FE**

SFIO CHARGESHEET

'IFIN' audit panel connived with management to misrepresent a/c'

SUNNY VERMA & SANDEEP SINGH
NEW DELHI, JUNE 5

INITS chargesheet filed in the case involving IL&FS Financial Services, the Serious Fraud Investigation Office (SFIO) has charged that the Audit Committee of IFIN failed to discharge its duties in detecting various accounting and valuation irregularities by the company and its top management.

The Committee did not look into the issue of diminution of investments in various IL&FS group companies and violation of related party transaction (RPT) framework. The chargesheet alleges that the audit committee effectively connived with the management of IFIN in misrepresenting its half-yearly accounts, and thereby getting favourable ratings from credit rating agencies.

The issue of diminution related to long-term investments in IL&FS Engineering and Construction Co. Limited, ITNL, Pipavav Defence & Offshore Engineering Co Limited, Electrosteel Steels Limited, Tech Mahindra Limited and Tata Steel Limited, TTSL, MCX-SX and John Energy Limited. The SFIO investigation team noticed the Audit Committee did not delve beyond the management estimates to in-

'COMMITTEE DIDN'T LOOK INTO VALUE EROSION'

■ The Committee did not look into issue of diminution of investments in IL&FS firms and violation of related party transaction (RPT) framework

■ These incorrect financial reports were also used for the borrowings from the market and for luring the investors investing the public money

dependently evaluate the investments. By not dealing with diminution of investments, the Audit Committee effectively connived with the management of IFIN in misrepresenting its half-yearly accounts.

"By acceding to postpone valuation by 6 months (2 reporting quarters), the Committee concurred to defer provision of diminution in books of accounts over two reporting quarters. The Committee overlooked the numerous impairment indicators in contravention of the Accounting Standards and principle of prudence and conservatism, while doing so. The above diminution in value would have adversely affected the rating and borrowing program of the company. Thus, the Audit Committee actively connived with the management to misrepresent the financials of the company and the health of the company to prospective investors," the SFIO noted in its re-

port. These incorrect half-yearly financial statements were of "great significance" as these were being used to get new rating and various surveillance ratings.

These incorrect financial reports were also used for the borrowings from the market and for luring the investors investing the public money.

The Committee further connived with the management in not critically examining the RPT policy in the definition of exempt RPTs, arms length criteria and ordinary course of business were approved in the RPT policy, which was against the intent of the legislature, to place check and balances on related party transactions, SFIO said.

"No due diligence was made regarding the group investments by IFIN in November/December 2017 in group entities, which were initially mentioned as advances.

The above observation... proves that at times the facilities had remained overdue non-performing but the same were never taken up for provisioning or income reversals even up to 1 year," it said. The SFIO, therefore concluded that "the audit committee failed to discharge the duties enshrined on it under the Companies Act read with the corresponding provisions of RBI with regard to the registered NBFCs. The audit committee had failed to conduct itself in an independent and impartial manner. It had failed to conduct an independent enquiry into the affairs of the allegations which are made against the management of the company."

The massive loan default by IL&FS group and its subsidiary companies starting last September rattled financial markets, prompting the government to supersede its board.

The IL&FS group liabilities are more than Rs 90,000 crore to banks, mutual funds and finance companies among others. After the IL&FS group started defaulting on its debt, financial sector entities including NBFCs, mutual funds, corporate-focused lenders have faced liquidity challenges. IFIN alone had borrowings of around Rs 17,500 crore through debt instruments and bank loans.

IRDAI hikes third party insurance on small, medium cars by 12-12.5%

ENS ECONOMIC BUREAU
MUMBAI, JUNE 5

THE INSURANCE Regulatory and Development Authority of India (IRDAI) has increased the third party (TP) motor insurance premium for small and medium private cars by 12-12.5 per cent for 2019-20. It has also proposed a hike in TP premium for two-wheelers and heavy vehicles for the current year.

The new rates will come into effect from June 16. The insurance regulator had in March deferred the hike in third party insurance premium due to the elections.

IRDAI has proposed a 12 per cent hike in private cars below 1000 cc engine to Rs 2,072 and a 12.50 per cent increase to Rs 3,221 for cars with engine capacity of 1000-1500 cc. In May, IRDAI had proposed a hike of 14.6 per cent and 15.26 per cent in premium, respectively, for these two categories but reduced the rates after getting feedback from the public.

There is no change in the premium of Rs 7890 for cars above 1500 cc capacity. In the case of two-wheelers (between 150 cc and 350 cc), it has increased the TP insurance cover by 21.11 per cent to Rs 1,193. For two-wheelers between 75 cc and 150 cc, it hiked TP rate by 4.44 per cent to Rs 752. The premium for two-wheelers above 350 cc remains at Rs 2,323.

In the case of goods carriers with gross vehicle weight (GVW) up to 7,500 kg, it has decided to increase the TP premium from Rs 14,390 to Rs 15,746, for vehicles with GVW between 7,500 kg to 12,000 kg, the rate will go up from Rs 24,190 to Rs 26,935 and for vehicles between 12,000 kg to 20,000 kg, the rate will rise from Rs 32,367 to Rs 33,418.

IRDAI has introduced two new categories. In these, the electric vehicles have been introduced on the basis of motor power and their rates are around 15 per cent lower than that of traditional fuel vehicles. The other one is the category of Quadricycle in the private car segment where the rates have been kept at par with the traditional fuel vehicles to give a boost to this new emerging segment.

In the commercial segment too, two new categories have been introduced. The first one is the quadricycle, which is an upcom-

NEW CATEGORIES

IRDAI HAS introduced new categories for electric vehicles and Quadricycle in the private car segment

ELECTRIC VEHICLES have been introduced on the basis of motor power and their rates are around 15 per cent lower than that of traditional fuel vehicles

ing segment for intra-city shared mobility. TP rates are kept as PCV (public carrying vehicle) 3W rates for this upgraded version which is likely to help the industry to promote the vehicle segment in the market. The second new category to be introduced is the school bus with rates kept lower than other buses.

"This will bring in a further categorisation in the risk segment between school and route buses. This will serve as an incentive for a segment which has a lower loss experience..." said Gurneesh Khurana, president and business head — motor, Bajaj Allianz General Insurance.

In March 2019, IRDAI had decided not to increase the annual premium for Third Party (TP) policies until further orders. Insurers were then expecting TP premium, currently regulated by IRDAI, to rise by 20-30 per cent going by last 6 years' trend. Over the last 6 years, third-party premiums increased by 29 per cent for car and 23 per cent for two-wheelers on an average. "The new TP rates have been quite customer-centric and keeping in mind the developments in the automobile industry. The rates for long term policies for new private vehicles have been kept the same," Khurana said.

Every year, the regulator decides the third party insurance premium that remains the same across all the insurers. The premium is evaluated considering the annual claims data of all insurers across different cubic/engine capacity of the vehicle. As per The Motor Vehicles Act, 1988, it is mandatory to insure vehicles with at least third-party insurance cover.

'Rate cut unlikely to stimulate growth in near term'

A rate cut by the RBI in second bi-monthly monetary policy statement for 2019-20 is unlikely to stimulate demand in near term due to absence of quick response in financial market, India Ratings and Research said

FY19 GROWTH AT 5-YR LOW OF 6.8%: There is widespread expectation that the central bank would cut policy rate Thursday to prop up growth which has hit a five-year-low of 6.8 per cent in FY19

SLOWDOWN IN HOUSEHOLD SAVINGS: At the core of this mismatch between the RBI's action and the banks' inability to pass on the benefit to the borrowers is the slowdown in household savings

FUND MOBILISATION DEARER: Increased government borrowing and elevated small savings rate



have rendered deposit/investment mobilisation by banks/NBFCs expensive

LOW CONSUMPTION DEMAND: India's consumption demand is still not a pronounced credit

fuelled or leveraged demand

CRISIS IN BANKING, SHADOW BANKING SECTORS: The impact of monetary policy on Indian economy is often delayed, but the current situation is more complicated due to the ongoing crisis in the banking and the shadow banking sectors

NO ADJUSTMENT FROM BANKS: Despite the RBI cutting policy rate by 50 basis point so far in calendar year 2019, banks have not adjusted their lending/deposit rates accordingly, but instead many have raised their deposit rates to mobilise funds

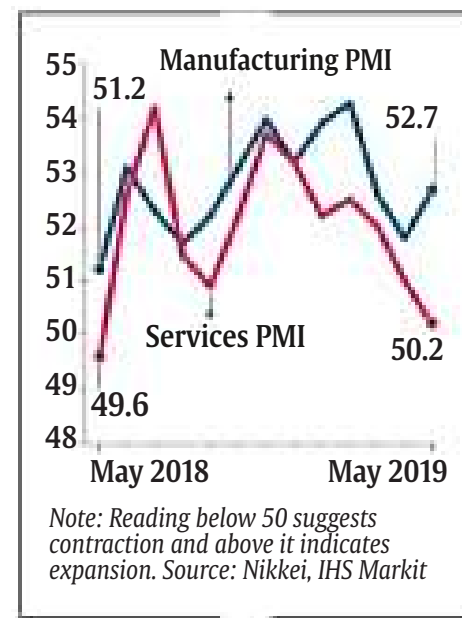
In May, services sector activity growth slips to 12-month low: PMI

ENS ECONOMIC BUREAU
NEW DELHI, JUNE 5

THE PACE of activities in the services sector softened for a third straight month and hit a one-year trough in May, as election-related uncertainties had weighed on fresh orders. The seasonally-adjusted Nikkei India Services Business Activity Index, published by IHS Markit, hit 50.2 in May, against 51 in April. A reading above 50 suggests expansion, while below it signals contraction.

Inflows of new business orders at service providers rose at the slowest pace in eight months.

Services sector firms indicated that delayed client payments prevented them from working on their outstanding business.



Although backlogs have increased throughout the past three years, the accumulation recorded in May was the weakest, as per the survey. The data comes at a time when GDP growth hit a five-year low of 5.8 per cent in March quarter. **FE**

Rating agencies downgrade DHFL to default status

ENS ECONOMIC BUREAU
MUMBAI, JUNE 5

RATING AGENCIES Crisil, Care Ratings and ICRA have downgraded the rating on Dewan Housing Finance Corporation Limited (DHFL) to the 'D' category indicating that certain debt instruments of DHFL are in "default or are expected to be in default soon".

Care Ratings said it has downgraded DHFL's bank facilities of Rs 42,713 crore, non-convertible debentures of Rs 46,655 crore, fixed deposits of Rs 8,940 crore and subordinated debt of Rs 2,205 crore to the 'D' category. The total liabilities of DHFL downgraded to the D category amount to Rs 102,563 crore, it said.

The downgrade of DHFL is expected to exacerbate the already parlous liquidity situation in the non-banking financial companies (NBFC) sector.

Care Ratings said the rating revision takes into account the recent instance of delay in servicing of obligations with respect to some of the non-convertible debentures by DHFL due to prolonged liquidity stress.

"The liquidity profile of the company continues to remain stressed on account of delay in identification and induction of strategic investor and limited progress on generating additional liquidity mainly through builder loan book sell down and securitisation. The ratings have been removed from credit watch with negative implications," it said.

"There has been a deterioration in liquidity profile of DHFL with cash and liquid investments decreasing from Rs 4,668 crore (including SLR) as on March 31, 2019 to Rs 2,775 crore (including SLR) as on April 30, 2019. As per liquidity statement as on April 30, 2019, the company was envisag-

CRISIL, CARE RATINGS AND ICRA REVISE RATING

■ Crisil, Care Ratings and ICRA have downgraded the rating on Dewan Housing Finance Corporation Limited to the 'D' category

■ Rating revision takes into account delay in servicing of obligations, stretched liquidity profile and limited visibility on fresh funding

ing cumulative cash inflows of around Rs 6,600 crore from June 2019 to August 2019 as against scheduled cumulative cash outflows of around Rs 10,780 crore during the same period thereby reflecting a negative cumulative mismatch of around Rs 4,180 crore," Care Ratings said.

Crisil has downgraded commercial papers (CP) issued by DHFL to 'default' or 'D' category from A4+ after the firm missed interest payment on its NCDs on Tuesday. "DHFL has Rs 850 crore of outstanding CPs of which Rs 750 crore is due in June 2019. The

first CP maturity is on June 7, 2019. With liquidity inadequate as on date to service debt and visibility very low on timely fund raising, Crisil expects the CP to be in default on maturity," Crisil said.

Rating firm ICRA has downgraded the rating on the Rs 850-crore commercial paper programme of DHFL to 'ICRA D' from 'ICRA A4'. The rating revision factors in further deterioration in company's liquidity profile and delays in meeting scheduled debt obligation on June 4, 2019. "While the mentioned debt is not rated by ICRA, given the stretched liquidity

profile and limited visibility on fresh funding, the company is unlikely to be able to service its debt obligation with regard to commercial paper programme in a timely manner," ICRA said. "The company has Rs 750 crore commercial paper (CP) programme maturing in June 2019 with first repayment on June 7. Given stretched liquidity position and limited visibility on fund raising, the company is unlikely to be able to service its debt obligation with regard to commercial paper programme in a timely manner," it said. Though the firm's borrowing profile is well diversified, recent industry-wide stress in liquidity has increased dependence on securitisation. Moreover, DHFL is dependent on the refinancing of maturing liabilities, given the relatively longer tenure of loans inherent in housing finance industry, ICRA said.

While reliance on short-term borrowings through commercial

papers has declined, the company would continue to depend on portfolio sales to meet its debt obligations till fresh funding resumes, ICRA said. DHFL reported a net fixed deposit outflow of Rs 1,356 crore during September 24, 2018 to December 31, 2018. The share of housing loans on balance sheet declined to 48 per cent as on December 31, 2018 from 55 per cent as on March 31, 2018 owing to the significant securitisation of home loan portfolio in Q3 FY2019.

"The project loan portfolio remains under moratorium. DHFL's ability to maintain asset quality indicators will be a key rating monitorable, going forward," it said.

DHFL had a loan portfolio of Rs 91,930 crore as on March 31, 2018. The housing finance firm has total asset size of Rs 1,07,436 crore as on March 31, 2018.

WORLDWIDE DEVELOPERS CONFERENCE 2019

Made in India, but for the world: Why Indian developers have to look outside for revenue

NANDAGOPAL RAJAN
SAN JOSE, JUNE 5

"MADE IN India, but made for the world." This seems to be the mantra of Indian developers at Apple's annual Worldwide Developers Conference. While this does mean Indian developers have been successful in creating apps that are popular across the world, it also underlines the sad fact that most of these products are not successful within India, especially if they are paid apps. Mohit Sureka, founder and

CEO of Spiel Studios which created the popular Man vs Missile app, says most of his 5 million downloads have happened in US and China.

The app has a freemium model for monetisation where users spend to get upgrades or past a hurdle, so it helps most of his users in geographies where people are willing to spend on games. "They (China) are the users who don't mind spending on a game or getting a subscription," says Mumbai-based Sureka, adding that US is still the number one market. "Getting into the top

10 there is success by default because you would end up with 1,00,000 downloads a day," he explains, again highlighting why I didn't make much sense to create a gaming app just for India.

Take the case of Note Shelf for instance. With over 4 million paid users globally, Fluid Touch's app is a success in any sense of the term. But in India, the \$10 app, despite all its great features and low latency note-taking capabilities, will struggle to find users.

"People are not addicted to notes, unlike games, music or even sports. So the scale is just not

Many developers have no option but to choose an ad-funded model to sustain themselves, especially in the Indian market. The success of paid services in India in recent times seems to have given some firms confidence to try unique models

there. If we have a 100 million users, we can make a living with a freemium model, but not with the numbers we have," explains CEO Rama Krishna who runs his venture out of Hyderabad.

While it will be easier for Indian developers to make Android apps and thus get bigger

numbers, they know those users are even more averse to paying for apps.

In fact, Krishna's app has got Google funding to be on Android where he now gets paid for each download. "That is still a threshold number, after that we are on our own. I will have to cut the price to

\$1 on Android to get the numbers," he adds.

So many developers have no option but to choose an ad-funded model to sustain themselves, especially in the Indian market. Man vs Missile for instance gets 60 per cent of its revenues from ads. "But the ECPMs are so low in India that we make the same revenue with a tenth of the same users in the US market," Sureka says, underlining how even this is not a great solution. This is where WWDC becomes a good opportunity for Indian developers to not just learn how to make their apps better, but

also to learn ways to marketing it better in markets like US and Europe where Apple is very strong and revenues much better.

But the success of paid services in India in recent times seems to have given some companies confidence to try unique models. Enpass Password Manager by Gurgaon-based Sine Software Systems private limited is a good story in this context. Despite lacking users in India, the \$10 app has over 2 million users globally. On top of this, their product is used by other partners to protect their customers. Founder Hemant Kumar

explains that 93 per cent of his users are from US and Europe, and very few are in India.

"That's because this is an expensive app. To cover this we are now looking at a subscription model where the user will be able to get the app for as low as Rs 70 per month," he says on how he wants to soften the blow of the purchase, especially in comparison to his competitors. It stops that since his app does not store any user data, it also does not need to spend on cloud storage.

The author is in San Jose on the invite of Apple

In a 'first', Gujarat to launch trading system with incentive for low polluting industries

PRABHA RAGHAVAN
NEW DELHI, JUNE 5

GUJARAT ON Wednesday launched a market-based trading system to reduce air pollution, where the government sets a cap on emissions and allows industries to buy and sell permits to stay below the cap.

Touted to be the world's "first" emissions trading system for particulate pollution, the programme is being piloted in Surat as it is a densely populated industrial centre where textile and dye mills release a "significant" amount of air pollution. Going forward, the programme is expected to be used as a model for other parts of India to reduce air pollution and facilitate "robust economic growth", stated the Energy Policy Institute at the University of Chicago (EPIC) in a release following the move.

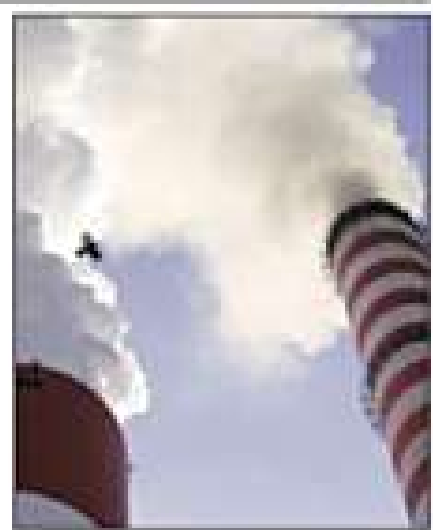
The Gujarat Pollution Control Board (GPCB) has teamed up with researchers from EPIC and other institutions like the Harvard Kennedy School, Yale University and the Abdul Latif Jameel Poverty Action Lab to evaluate the programme's benefits and costs.

"As the first market-based approach to regulating pollution emissions in India, it is expected to drastically reduce air pollution at a low cost to both government and industry and provide best practices for replicating trading schemes to other emissions," stated EPIC. The emissions trading programme will be experimentally tested to understand its

PROGRAMME BEING PILOTTED IN SURAT

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■ The Gujarat Pollution Control Board has teamed up with researchers from various institutions to evaluate the programme's benefits and costs



AP file photo

impacts on emissions, industry costs and regulatory costs, it said. "The history of cap-and-trade programmes also reveals that by unleashing market forces, they greatly reduce the costs that industries incur complying with regulations," it added.

The programme, first announced in January, takes advantage of GPCB's earlier innovation of using continuous emissions monitoring systems to track industry emissions in real time. About 350 industries around Surat have installed these systems and now transmit real-time, "high-quality" emissions data.

"With this programme, we are kicking off a new era of cleaner production, while lowering industry compliance costs and rewarding plants that cut pollution in low-cost ways," said GPCB chairman Dr Rajiv Kumar Gupta. "We believe using this market-based

system will prove that rapid economic growth, ease of doing business, and breathing clean air can all be achieved at the same time."

In 2015, GPCB worked with the same research team to design, test, and implement a new way of carrying out industrial pollution audits, preventing issues arising from third-party auditors being paid by the plants that they are responsible for testing. Globally, cap-and-trade systems have been used to reduce other forms of pollution, such as programmes that have reduced sulphur dioxide and nitrogen oxides in the US.

However, particulate air pollution is "the single greatest threat" to human health globally, stated EPIC. The institute's Air Quality Life Index, which measures the impact of particulate air pollution on life expectancy, finds that it cuts global life expectancy short by about two years.

REPORT BASED ON COMPARATIVE STUDY OF 21 NATIONS

Retail e-payment transactions jump 95% in FY19: RBI report

ENS ECONOMIC BUREAU
MUMBAI, JUNE 5

DRIVEN BY efforts aimed at "higher financial inclusion and adoption of mobile payments", India posted an accelerated growth rate of 95 per cent in the volume of retail electronic payment transactions in 2018-19, a Reserve Bank of India report said. Earlier, the growth rates were 71 per cent in 2015-16, 65 per cent in 2016-17 and 51 per cent in 2017-18. The high growth in FY19 was largely due to steep growth in Unified Payments Interface (UPI). "Card (debit and credit) payment is an important payment instrument which has replaced the use of cash at least in retail outlets and e-commerce sites," the RBI's "Benchmarking India's Payment Systems" report stated.

The volume of credit card transactions at PoS (point of sale) terminals and online was 1,762.59 million, valued at Rs 603,348 crore, in FY19. In the case of debit cards, there were 4,414.28 transactions valued at Rs 593,475 crore.

The RBI undertook a comprehensive exercise for benchmarking India's payment systems by selecting a mix of 21 nations, spread across all continents, which included Australia, Brazil, Canada, China, France, Germany, Hong Kong, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, Singapore, South Africa, South Korea, Sweden, Turkey, the UK and the US.

CARD USAGE AT ATM, PoS, ONLINE (FY 2018-19)					
	Volume (mn)	Value (Rs cr)	Ticket Size (Rs)	Share volume	Share value
ATM					
Credit Cards	9.77	4,533	4,639.19	0.10%	0.14%
Debit Cards	9,859.61	33,10,789	3,357.93	99.90%	99.86%
PoS & Online					
Credit Cards	1,762.59	603,348	3,423.08	28.54%	50.41%
Debit Cards	4,414.28	593,475	1,344.44	71.46%	49.59%

Swedish experience

Mumbai: In Sweden, going cashless is the norm, especially in large cities, the RBI said in a report. Purchases are made by cards or digitally, like Sweden's most popular payment app, Swish. Many restaurants have stopped accepting cash. Buses and trains do not accept notes and coins, it said.

"This did not cause an adverse reaction in Sweden as everybody had an alternate

payment system. Sweden being a pioneer in digital technology has facilitated its move to a cashless society," the RBI said. Strong broadband coverage and a tech savvy population have also contributed. "The dependence on cash can be done away in India only when an alternate is made available to each and every person and the infrastructure is expanded," it said. **ENS**

"Despite the cost of digital transactions, the volume of payment transactions in India grew strongly and steadily at a compounded annual rate of over 40 per cent after 2012 and 2017, showing an appetite for modes of payment other than cash," read the report prepared by the Reserve Bank's Department of Payment and Settlement Systems. Payment system transactions in 2017 grew by 44.8 per cent over

the previous year (over a strong year-on-year growth of 56.4 per cent in 2016) even after cash availability normalised after demonetisation, showing that non-cash payments were slowly becoming a habit for the users. This is also demonstrated by the growth of 54.3 per cent in FY19 over the previous fiscal, the RBI said.

"The cost of digital transactions is an inhibiting factor for the growth of digital transactions.

EU court says Skype can be classified as telecom operator

FOO YUN CHEE
BRUSSELS, JUNE 5

MICROSOFT'S INTERNET phone call and messaging service Skype can be considered a telecoms operator as it offers a paid-for service and has a deal with network operators to carry calls, Europe's top court said on Wednesday.

A Belgian court and the Belgian Institute of Postal and Telecommunications Service (IBPT) had sought guidance from the European Court of Justice on whether Skype's SkypeOut service, which allows users to call from computers to a fixed or mobile line for a fee, should be subject to the same regulation as a traditional telecoms company.

Skype had argued that it did not transmit signals itself and did

not provide any electronic communications services such as those defined by current European Union rules.

Microsoft said it would comply with the ruling, which will require the paid-for service to adhere to more onerous regulation. Seeking to address the gap between traditional telecom providers and new internet-based rivals, the European Commission two years ago adopted rules for the sector known as the European Electronic Communications Code which covers Skype, Whatsapp, Facebook Messenger and other voice over internet protocol (VoIP) services. European Union countries have until the end of 2020 to implement the rules. The case is C-142/18 Skype Communications Sarl v IBPT. **REUTERS**

World Bank retains India's FY20 growth rate at 7.5%

LALIT K JHA
WASHINGTON, JUNE 5

INDIA IS projected to grow at 7.5 per cent in the next three years supported by robust investment and private consumption, the World Bank said in its report 'Global Economic Prospects' released on Tuesday.

It added that India is estimated to have grown 7.2 per cent in fiscal 2018-19, which ended March 31. A slowdown in government consumption was offset by solid investment, which benefitted from public infrastructure spending.

As against a growth rate of 6.6 per cent in 2018, China's growth rate in 2019 is projected to be dropped to 6.2 per cent and subsequently to 6.1 per cent in 2020 and 6 per cent in 2021, the bank said.

With this, India will continue to retain the position of being the

OVERVIEW OF WORLD BANK'S 'GLOBAL ECONOMIC PROSPECTS'				
	2018 ^e	2019 ^f	2020 ^f	2021 ^f
India	7.2	7.5	7.5	7.5
China	6.6	6.2	6.1	6.0
US	2.9	2.5	1.7	1.6
Euro Area	1.8	1.2	1.4	1.3
Japan	0.8	0.8	0.7	0.6
Brazil	1.1	1.5	2.5	2.3

Notes: e = estimate; f = forecast
*The column labeled 2018 refers to FY2018/19
Aggregate growth rates calculated using constant 2010 USD GDP weights

fastest growing emerging economy. And by 2021, its growth rate is projected to be 1.5 per cent more than China's 6 per cent.

According to the World Bank, growth in India is projected at 7.5 per cent in fiscal 2019-20 (April 1, 2019 to March 31, 2020), unchanged from the previous fore-

cast, and to stay at this pace through the next two fiscal years.

"Private consumption and investment will benefit from strengthening credit growth amid more accommodative monetary policy, with inflation having fallen below the Reserve Bank of India's target," it said. **PTI**

CII comes out with new index to assess Central, state budgets

PRESS TRUST OF INDIA
NEW DELHI, JUNE 5

THE CONFEDERATION of Indian Industry (CII) on Wednesday said it has come out with a 'Fiscal Performance Index' to assess quality of budgets presented by the Centre and state governments. "The composite Fiscal Performance Index (FPI) developed by CII is an innovative tool using multiple indicators to examine quality of Budgets at the Central and State levels," the industry body said in a statement.

The index has been constructed using UNDP's Human Development Index methodology, it said, adding that the proposed composite index of fiscal performance comprises six components for holistic assessment of the quality of budgets.

The index has been created using UNDP's Human Development Index methodology

"These include 1) quality of revenue expenditure: measured by the share of revenue expenditure other than interest payments, subsidies, pensions and defence in GDP. 2) Quality of capital expenditure: measured by share of capital expenditure (other than defence) in GDP. 3) Quality of revenue: ratio of net tax revenue to GDP (own tax revenue in case of States). 4) Degree of fiscal prudence I: fiscal deficit to GDP. 5) Degree of fiscal prudence II: revenue deficit to GDP and 6) Debt index: Change in debt and guarantees to GDP," it added.

GOVERNMENT OF TAMILNADU HIGHWAYS DEPARTMENT
Coimbatore Construction & Maintenance Circle
Notice Inviting Pre-qualification cum Tender - Two Cover system.
Tender Notice No. 1/2019-20/HDO/DL 04.06.2019

For and on behalf of Governor of Tamilnadu sealed Schedule Tender is invited for Shifting of utilities for the Construction of flyover along Athupalam and Ukkadam junction in Coimbatore City (Sub Work) Coimbatore (H), C&M Division. Approximate Value of Work is Rs. 8.60 crores. Tender will be received by the Superintending Engineer (H), C&M Circle, Coimbatore upto 3.00 pm on 26.06.2019 and will be opened at 3.15 pm on 26.06.2019.

Details regarding works, Contract Value, EMD, Tender Schedule Cost and other details are available in the following website <http://tenders.tn.gov.in> (or) <http://www.tnhighways.org> any changes in the above notice will be published only in the above websites.

Superintending Engineer (H), C&M Circle, Coimbatore - 18
DIPR/1664/Tender/2019

Odisha State Medical Corporation Limited (OSMC)
In front of Ram Mandir, Convent Square, Unit - III, Bhubaneswar - 751 001
Tel. : (0674) 2380608 Website: www.osmcl.nic.in, Email: proc.osmcl.od@nic.in
Assuring Quality, Saving Lives Date: 01.06.2019

NOTICE INVITING RE-TENDER FOR SUPPLY, INSTALLATION & COMMISSIONING OF EQUIPMENTS INCLUDING ASSOCIATED TURNKEY WORKS FOR SETTING UP OF IMMUNOLOGY LABORATORY FOR THE DEPARTMENT OF RHEUMATOLOGY IN SCB MEDICAL COLLEGE & HOSPITAL, CUTTACK

Online Bids through e-Tender portal (<https://tendersodisha.gov.in>) are invited from eligible bidders for supply, installation & commissioning of Equipments as per the particulars mentioned below:

Sl.	Bid Reference No.	Item Name	Bid Document Cost inclusive of GST (Rs.)
1	OSMCL/2018-19/EOP-CILR(Retender)/37	Supply, Installation & Commissioning of Equipments including associated Turnkey Works for setting up of Immunology Laboratory for the Department of Rheumatology in SCB Medical College & Hospital, Cuttack	5,600/-

Sl. No.	Particulars	Date and time
1.	Date & time of release of bid	06.06.2019, 3 PM
2.	Date & time of Pre-bid meeting	17.06.2019, 11 AM Venue : Conference Hall, Odisha State Medical Corporation Ltd., Convent Square, Unit - III, Bhubaneswar
3.	Date & time of Online bid submission	Start Date & Time 27.06.2019, 3 PM End Date & Time 12.07.2019 5 PM
4.	Date & time of online Technical bid opening	16.07.2019, 11 AM
5.	Date of demonstration of Equipment (if required by the Tender Inviting Authority for some equipments)	To be informed to those bidders whose bids are found to be technically responsive based on documents furnished in technical bid.
6.	Date of opening of Price Bid	To be informed to the qualified bidders

The bid document with all information relating to the bidding process including cost of bid document, EMDs, Pre qualification criteria and terms & conditions are available in the website: www.osmcl.nic.in and <https://tendersodisha.gov.in>. The Authority reserves the right to accept / reject any part thereof or all the bids without assigning any reason thereof.

Sd/-
Managing Director

Rajasthan State Road Development And Construction Corporation Ltd., JAIPUR
No. NIT/2019-20/6799-18 अलकालिन ई-निविदा सूचना सं. 033/ 2019-20
निविदादिता परिषदेकाम पर दो वर्ष की अवधि के लिये पक्कर बसूली हेतु ई-टेंडरिंग प्रक्रिया से ऑनलाइन निविदाएं आमंत्रित की जाती हैं:-

कार्य का विवरण: 991.271Ac
Collection of Toll Tax on Salimpur-Kotkiya Road and Debari-Kurwar-Bambora Road for the period of 02 years. UEN: RRC/1920M/0380066

अनुबंधित निविदा प्राप्त करनेकी अंतिम तिथि 04.06.2019 सां. 09.00 बजे से 13.06.2019 सां. 4.00 बजे तक

निविदा से संबंधित सफल निविदा एवं संशोधन केसाइट <http://eproc.rajjasthan.gov.in>, <http://app.rajjasthan.nic.in> तथा <http://roads.rajjasthan.gov.in> पर देखा जा सकता है। इच्छुक संस्थानों को अपने निविदा दस्तावेज के माध्यम से केसाइट <http://eproc.rajjasthan.gov.in> पर रजिस्टर्ड करना आवश्यक है।

TAMIL NADU TRANSMISSION CORPORATION LTD.
NOTICE INVITING TENDERS (E-TENDERING PROCESS)

Sl. No	Tender Inviting Authority	Specification No.	Total
1	CE/Tr.Pr-I	01, 02	2
2	CE/C/Transmission	T.23, T.24	2
3	CE/Tr./SE/Tr.IV	2097	1

For details of works/Procurement/Due date of submission/opening viewing and downloading of e-tenders, please visit websites: www.tantranSCO.gov.in, www.tenders.tn.gov.in, www.tntenders.gov.in/nicpp/app, www.mstcecommerce.com/eproc/home/tneb
DIPR/1830/TENDER/2019

GOVERNMENT OF ANDHRA PRADESH A.P. Greening & Beautification Corporation
Plot No.36, Road No.4, Sector No.4, Lotus land mark, Kadapa, Andhra Pradesh, Vijayawada.
www.urbangreening.ap.gov.in, email: apurbangreening@gmail.com
Phone No: 0866 - 2530833

e-Tender notice No: APUG-150217/2019-TECH SEC-APUGBC/2019-20(215), Dt. 04/06/2019

e-Tenders are invited for supply and Delivery of one(1) Lakh Nos of HDPE Tree Guards and Maintenance of Nursery plants and Landscape (4) works with a total E.C.V. Rs.173.02 Lakhs.

Complete set of bid documents can be downloaded from www.approcurement.gov.in/ and A.P.Greening and Beautification Corporation website <http://urbangreening.ap.gov.in> from dt. 06.06.2019, 10.00 AM up to 24.06.2019, 2.00 PM.

Managing Director-APG&BC

ICMR - REGIONAL MEDICAL RESEARCH CENTRE, N.E. REGION
Post Box No. 105, DIBRUGARH -786001, ASSAM, INDIA
No. RMRC/DIB/S&P-13/Advt.1 Proj/Paragonimiasis/2019-20/630 Date: 04/06/2019

Notice Inviting Sealed Tender and Pre-Bid:

The Director, Regional Medical Research Centre, N.E. Region (ICMR), Dibrugarh, Assam invites **Sealed Tender** in double bid system i.e. Technical and Price Bid from the reputed foreign/ Indian manufacturers, authorized dealers/stockists and in case of imported item from their authorized Indian agent for supply & satisfactory installation of the following Equipments/ Instruments for its Research Centre. Interested suppliers are requested to go through the website "<http://www.mrcne.org.in>" & "Central Public Procurement Portal (ePublishing)" for the list of equipments and details specifications and terms & conditions.

The last date of submission of tender/quotation: **3rd July 2019.**

Oil slumps 4% on US inventory build

REUTERS
NEW YORK, JUNE 5

OIL PRICES resumed their slide on Wednesday, with West Texas Intermediate crude futures (WTI) dropping more than 4 per cent after US crude inventories unexpectedly surged. Brent futures were down \$1.77, or 2.9 per cent at \$60.20 a barrel by 1454 GMT, having briefly traded in positive territory early in the session. WTI was down \$2.17, or 4 per cent, at \$51.31 a barrel.

US crude, gasoline and distillate stocks rose last week, the Energy Information Administration said on Wednesday.

Crude inventories rose 6.8 million barrels in the week to May 31, compared with analyst expectations for a decrease of 849,000 barrels.

"The across-the-board inventory build makes for a very bearish report," said John Kilduff, a partner at Again Capital.

A surge in imports and an increase in domestic production boosted inventories, he said.

"The inventory gains came

despite strong demand for crude oil from refiners and gasoline from drivers," he said.

The rise in refinery runs has paled in comparison to the jump in imports, particularly waterborne imports to the Gulf and West Coasts, said Matt Smith, director of commodity research at ClipperData.

"The stock build does not help sentiment in the current market environment," ING bank said.

Oil prices have fallen sharply on concerns about slowing demand, but won some respite on Tuesday after a global stock market rally on hopes the Fed may trim interest rates.

Equities extended gains on Wednesday.

"Yesterday's upswing on the back of rising stock markets was halted by an unexpectedly sharp rise in US crude oil and product stocks," Commerzbank said.

The oil market has been weighed down by concerns about slowing global growth due to the US-China trade war and US President Donald Trump's threats last week to place tariffs on Mexican imports.

BRIEFLY

Sitharaman to attend G-20 Fin Mins' meet

New Delhi: Finance Minister Nirmala Sitharaman will attend the two-day meeting of G-20 finance ministers and central bank governors in Japan beginning June 8, said a government official. This will be the first overseas visit of Sitharaman as finance minister. Last week she took charge as the first full-time woman finance minister of the country.

Wipro to buy US-based ITI for \$45 mn

New Delhi: Information technology major Wipro on Wednesday said it will acquire US-based International TechnoGroup Incorporated (ITI) for \$45 million. ITI provides computer aided Design and product lifecycle management interoperability software services. **PTI**

Amazon delivery drone to start soon

Las Vegas: Amazon.com Inc has a new drone that will be delivering packages to customers in months, the chief executive of the company's consumer business said Wednesday. The new drone takes off and lands vertically like a helicopter, division CEO Jeff Wilke said at the company's "re:MARS" conference here.

Global gold hovers close to 15-week high

Bengaluru: Spot gold rose 0.4 per cent at \$1,329.57 per ounce at 1:55 pm EDT, having pared earlier gains on Wednesday. The prices jumped to their highest in 15 weeks as nagging fears about global trade.

BMW, JLR to develop electric auto parts

Frankfurt: BMW and Jaguar Land Rover on Wednesday said they will jointly develop electric motors, transmissions and power electronics, unveiling another industry alliance aimed at lowering costs of making electric cars. **REUTERS**

FDI in services sector up 37% in FY19: DPIIT

New Delhi: Foreign direct investment in services sector grew 36.5 per cent to \$9.15 billion in 2018-19, according to the Department for Promotion of Industry and Internal Trade (DPIIT). The sector attracted FDI worth \$6.7 billion in 2017-18. Services sector includes finance, banking, insurance, outsourcing, R&D, courier, tech testing and analysis.

The Centre has taken several measures like fixing timeliness for approvals and streamlining procedures to improve ease of doing business in the country and attract foreign investments. **PTI**

Mitsubishi Heavy in talks to buy Bombardier's regional jets

REUTERS
MONTREAL/TOKYO, JUNE 5

JAPAN'S MITSUBISHI Heavy Industries Ltd said on Wednesday it is holding talks to buy Bombardier Inc's regional jet program, in a deal that would shake up the market for narrowbody jets with fewer than 100 seats.

Mitsubishi Heavy, which is working to break into aviation with the launch of its own regional jet programme, said by email that it was in discussions but that no decision had been made. Bombardier also confirmed that it was in discussions with Mitsubishi Heavy but did not give any details.