# 20 ECONOMY

**ENS ECONOMIC BUREAU** MUMBAI, AUGUST 19

STATE BANK of India (SBI) chairman Rajnish Kumar said Monday that while the bank had linked home loans and cash credit facilities to the reporate, there would be a need to simultaneously have floating rates on deposits.

"For any transmission to happen, it has to happen on both sides. And, as we create flexibility on the liability side to link our liabilities to repo, which is an external benchmark and of all the benchmarks we studied, we decided that this is the most work-

**EXPRESS NEWS SERVICE** 

Mazdoor Sangh (BMS) on

Monday hit out at the govern-

ment over the state of the econ-

omy and slammed the NITI Aayog

saying it was not consulting trade

unions but relying on "Harvard

university experts who have no

knowledge of Indian realities".

The national executive meeting of

BMS, held in here from August 16-

18, flagged issues of job loss in the

automobile sector and urged the

Centre to "change the direction of

does not look inspiring in spite of

various programs initiated to

boost it. India's growth phenom-

enon had been promoting in-

equality. Over-dependence on

FDI as a panacea for all economic

maladies is wiping out many of

our traditional MSME hubs.

India's manufacturing sector is in

a bad shape. All the burden com-

mon man has to bear. The automobile sector that contributes

about half of India's manufactur-

ing output is in a crisis", the res-

olution adopted at the end of the

national president CK Saji

**PRESS TRUST OF INDIA** 

THE CENTRE has removed the re-

demption reserve requirement

for issuance of debentures by

non-banking financial compa-

nies (NBFCs), housing finance

companies (HFCs) and listed

firms, a move aimed at reducing cost for raising capital. Under the

Companies Act, these entities

raising money had to create

Debenture Redemption Reserve

(DRR) and that requirement has

Affairs (MCA) on Monday said

the requirement for a DRR of 25

per cent of the value of outstand-

ing debentures issued by listed

companies, NBFCs and HFCs has

The changes would be appli-

In the case of unlisted com-

panies, the DRR requirement has

cable for public issue as well as

been removed.

private placements.

o. NIT/2019-20/15217-26

SI. No.

The Ministry of Corporate

now been done away with.

NEW DELHI, AUGUST 19

The meeting, chaired by BMS

Debenture reserve

requirement for HFCs

and NBFCs removed

meeting stated.

"At present, the economy

economic and labour reforms".

NEW DELHI, AUGUST 19

able benchmark," he explained.

Need floating rates on deposits for

If such flexibility is created on the liabilities side, the bank will pass on all rate cuts to its borrowers. Since existing liabilities cannot be repriced, only new borrowers will get the benefit of repo-linked loans. Speaking at Fibac 2019, an an-

nual event organised by the Ficci and Indian Banks' Association (IBA), Kumar further said that the Centre and the banking regulator have done all they could to ease the flow of credit to nonbanking financial companies (NBFCs) and it is now up to banks to implement the policies laid

more transmission: SBI Chairman "Consultations are on (with regard to the stimulus package) with bankers and different industries. I think the government and the Reserve Bank of India (RBI) have done all they could for NBFCs. So, it is now only the execution and the rollout by the banks or the lenders," he added.

There is nothing further the government can do, Kumar said, adding that there is liquidity, partial credit enhancement and interest rates have moderated. Asked about the progress made in the resolution of stressed NBFC Dewan Housing Finance (DHFL), Kumar said: "That you should ask the company." **FE** 

## NITI relying on experts with no knowledge of Indian realities: BMS

FDI as a panacea for all economic maladies is wiping out many of our RSS' TRADE union arm Bharatiya

"Over-dependence on

traditional MSME hubs"

**BHARATIYA MAZDOOR** SANGH

RSS' TRADE UNION ARM

Narayanan attacked the "liberalisation, privatisation, and globalisation" (LPG) initiated when Manmohan Singh was Finance Minister in 1991. Terming it a "failure", the Sangh said "now a time has come to look back and rethink about the impact the LPG reforms had made on our economy".

The economic reforms played havoc in the labour sector and reforms in labour law have contributed in damaging the economy, the resolution said, adding that even "new technologies imported are job displacing including artificial intelligence".

"The failure of LPG reforms was first identified after 10 years when the growth it created was termed as 'Jobless Growth'," BMS said, adding "but the government had no mechanism to assess the impact of reforms". The trade union body also called for a 'white paper' on the impact of

been reduced to 10 per cent from

25 per cent of the outstanding

debentures. "The measure has

been taken by the government

with a view to reducing the cost

of the capital raised by compa-

nies through issue of debentures

and is expected to significantly

deepen the bond market," the re-

The MCA has amended the

Companies (Share Capital &

Debentures) Rules to effect the

changes. Till now, listed compa-

nies had to create a DRR for both

public issue as well as private

placement of debentures. In the

case of NBFCs and HFCs, they had

to have DRR when they opted for

at "creating a level-playing field

between NBFCs, HFCs and listed

companies on the one hand and

also between them and banking

companies and all India financial

Institutions on the other, which

are already exempted from DRR.'

Details

Package (A): SPP Augmentation

Project (SPAG) at SDSC SHAR (Civil.

Electrical & Air Conditioning works for

CMG/C/R 1987026, Dt:19/08/2019

From: 22/08/2019.10:00 Hrs.

To: 04/09/2019.14:00 Hrs.

09/09/2019,14:30 Hrs.

the release said.

Rajasthan State Road Development And Construction Corporation Ltd., JAIPUR

अल्पकालीन ई-निविदा सूचना सं. 153/2019-20

नेविदा से संबंधित समस्त विवरण एवं संशोधन वेबसाईट http://eproc.rajasthan.gov.in, http://sppp.rajasthan.nic.in त

E-TENDER BRIEF NOTICE

Group, SDSC SHAR invites applications from bidders for sealed, item-rate e

GOVERNMENT OF INDIA, DEPARTMENT OF SPACE

SATISH DHAWAN SPACE CENTRE SHAR

CONSTRUCTION & MAINTENANCE GROUP

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₹ 7436 Lakhs

16 Months

ाम्न लिखित परियोजना पर पथकर वसूली हेतु ई-टेन्डिरिंग प्रक्रिया से ऑनलाईन निविदा आमंत्रित की जाती है:-

nttp://roads.rajasthan.gov.in पर देखा जा सकता है। इच्छुक संवेदकों को अपने डिजिटल

Tenders for the following work as a "COMPOSITE TENDER"

ittp://eproc.rajasthan.gov.in पर रजिस्टर्ड करवाना आवश्यक है।

e-Tender Notice No. CMG/C/ R 1987026

Title of Work

NIT No & Date

Description

Estimated Cost put to tender

Period during which the tender

documents can be requested

Period of Completion

Last date and time for

uploading of tenders

The amendments are aimed

public issue of debentures.

lease said.

globalisation, LPG reforms, WTO,

FTA and FDI on India's economy "Successive governments have been pursuing a failed capitalist paradigm which lacks human element," BMS said, adding "India needs to discover an Indiacentric paradigm" to cater to its conditions.

BMS added that "Planning Commission as well as its successor NITI Aayog have been notoriously refusing to consult stakeholders like social organisations, including trade unions which are connected to the ground-level realities. Instead they have created readymade NGOs as advisors who are mostly related to foreign agencies. Harvard University experts who have no knowledge about Indian realities are the last word for them".

The resolution also hit out at the Centre for releasing the 'Report of the Expert Committee Determining Methodology for Fixing the National Minimum Wage' without consulting tradeunions, who it said are real stakeholders. It did have some pat for the government, saying that while it was trying "its level best to boost economy, employment, skill developments ... all such efforts are negated by wrong direction of such policy making bodies".

Ikea India

store in

Mumbai

MUMBAI. AUGUST 19

**PRESSTRUST OF INDIA** 

SWEDISH HOME furnishings

major Ikea on Monday said it has

launched its online store in the

city offering more than 7,500

products. It said the online store

is part of its new multichannel

approach to reach 100 million

customers in the next three

years. Mumbai will see a multi-

channel offer including smaller

format stores, and a big format

store in Navi Mumbai, the com-

changing at a scale and pace not

seen before driven by increasing

urbanisation and changing cus-

tomer behaviours. Today marks

an important occasion in our his-

tory as we roll out our multi-

channel, digital first approach

with Mumbai being amongst the

first few markets worldwide,

where we are bringing alive this

transformation." Peter Betzel.

chief executive officer of Ikea

IT DEVELOPMENT AGENCY

(ITDA)

IT Bhawan, Plot No. IT-07, IT Park.

Sahastradhara Road, Dehradun

Telefax: 0135-2608330. Email:diritda-uk@nic.i

Expression of Interest (EOI) for Telecom Service Provider for providing connectivity for UKSWAN for

EOI No. 01/ITDA-60(B-1)/2019 dated 03-08-2019

he amendments in EoI in future, if any, would be publish

Outward No.KBMC/PWD/7185/2019-20

"India's retail landscape is

pany said in a statement.

opens online

# CoC HAD AWARDED ₹25 CR AGAINST THEIR CLAIMS OF ₹4444 CR NCLAT rules against operational creditors' claim for Monnet Ispat

Bharat Petrosources, GAIL India and BHEL had moved NCLAT earlier this year

**ENSECONOMIC BUREAU** NEW DELHI, AUGUST 19

THE NATIONAL Company Law Appellate Tribunal (NCLAT) on Monday ruled against operational creditors of Monnet Ispat and Energy, appealing the committee of creditors' (CoC) decision to award them only Rs 25 crore against claims of Rs 444 crore. The company's operational creditors, including Bharat Petrosources, **GAIL India and Bharat Heavy** Electrical Ltd (BHEL), had moved the NCLAT earlier this year.

A plea filed by Industrial Financial Corporation of India (IFCI), a financial creditor, against treating of its secured loans as unsecured debt was also dismissed by the appellate tribunal. Monnet Ispat owes IFCI around Rs 158 crore. The company's CoC had assigned a nil liquidation value to BHEL's Rs 15 crore claims, while claims of Bharat Petrosources' stand at Rs 19 crore.

BHEL contended that though

#### **IL&FS: Deloitte moves NCLAT** against NCLT order on 5-yr ban New Delhi: Deloitte Haskins luding in the IL&FS case.

& Sells on Monday moved the National Company Law Appellate Tribunal (NCLAT) against the order of the Mumbai bench of the National Company Law Tribunal (NCLT) that ruled that it had jurisdiction to hear a plea by the Ministry of Corporate Affairs (MCA) praying for a five-year ban on the auditor for allegedly col-

the minimum value to be provided to operational creditors in a resolution plan is the liquidation value due to operational creditors, it cannot be limited only to liquidation value. "... thus, prescription of liquidation value as minimum amount to be given to operational creditors can in no way be construed to mean that the operational creditors at all times shall

The appellate tribunal is likely to hear the pleas on Tuesday.

The Mumbai bench of NCLT had on August 9 dismissed the plea made by the former auditors of the debtridden IL&FS group challenging the tribunal's jurisdiction to ban them under Section 140(5) of the Companies Act 2013. **FE** 

be provided with only liquidation value," BHEL said in its petition.

The Insolvency and Bankruptcy Code (IBC) was amended last month to empower the CoC to have the final say on the distribution of funds to various classes of creditors. It may be recalled that in the Essar Steel case, NCLAT had ruled that operational creditors should get a larger share

of the proceeds, than had been given to them by the CoC, thereby negating the CoC's decision.

Under IBC's waterfall mechanism, in the event of liquidation, dues to secured financial creditors and workmen's wages are to be paid fully before payments are made to unsecured financial creditors and operational creditors.

Financial creditors of Monnet

Ispat & Energy had taken a huge 74 per cent haircut when in July 2018, the Mumbai bench of National Company Law Tribunal (NCLT) approved a Rs 2,875-crore proposal by the AION-ISW Steel consortium. Monnet Ispat owed lenders Rs 11,000 crore while the liquidation value of the distressed steel manufacturer was pegged at Rs 2,365 crore. Section 30 (2) of the IBC says payments of debts of operational creditors should be made in such a manner as specified by the board. Monnet Ispat is among the major stressed assets from the first list of the Reserve Bank which were taken up under the resolution process in 2017. **FE** 

MAJOR PE/VC DEALS

IN JULY:

## BRIEFLY

## G-secs worth ₹17,000 crore to be sold Friday

New Delhi: The Reserve Bank of India will sell five government securities worth Rs 17,000 crore on Friday, the central bank said in a statement. The move will suck out liquidity from the financial system. "Subject to the limit of Rs 17,000 crore being total notified amount, (Government of India) will have the option to retain additional subscription up to Rs 1,000 crore each against any one or more of the above securities," RBI said Monday.

## Re plunges to over 6-month low of 71.43

*Mumbai:* The Indian rupee tumbled 29 paise to close at an over six-month low of 71.43 against the US dollar on Monday amid growing worries over economic slump and sustained foreign fund outflows. Further, rising crude oil prices and strengthening of the US dollar vis-a-vis other currencies overseas also took toll on the Indian currency.

## 'FinMin thinking over stress fund for infra sector'

*New Delhi:* The Finance Ministry is contemplating to set up stress fund for various infrastructure sectors, including real estate and power, Housing and Urban Affairs Secretary Durga Shanker Mishra said at an organised by event NAREDCO here on Monday.

## PV retail sales down 11% in July: FADA

New Delhi: Retail sales of

passenger vehicles (PV) declined by 11 per cent to 2,43,183 units in July as compared to the same period last year, hit by weak demand across the country, automobile dealers' body FADA said on Monday. Federation of Automobile Dealers Associations (FADA) said PV sales stood at 2,74,772 units in July 2018. "Consumer sentiment and overall demand continued to be quite weak across all segments and most geographies," FADA president Ashish Kale said.

## **KPSinghquits** as DLF whole time director

New Delhi: DLF Ltd patriarch KPSingh has stepped down as whole-time director but will remain its non-executive Chairman, the firm said Monday. In a filing, DLF told that shareholders' approval has been sought on a resolution through postal ballot for "appointment of KP Singh for continuation as a non-executive director." PTI

## Balesh Sharma quits as CEO of

*Mumbai:* Balesh Sharma has of Vodafone Idea. **FE** 

## 'PE/VC investment at all time high of \$8.3 bn in July'

Private equity and venture capital (PE/VC) investments in India crossed \$8 billion in July - the highest fund infusion in a month by PE/VC funds - EY's private equity deal tracker said

\$4.7 billion: Worth of mega deals in infrastructure sector in July

\$7.1 billion: Previous historical monthly high of PE/VC investments.

recorded in March 2019

investments in Indian infrastructure sector so far this year; greater than total investments received by sector in previous seven years put together

106: Number of deals that recorded investment worth \$8.3 billion in July, as against 70 deals worth \$1.8 billion in July 2018



out green channel route

## \$12 billion: Cumulative PE/VC

## Fresh default by DHFL on ₹1,571 cr bond repayments

**PRESSTRUST OF INDIA** NEW DELHI, AUGUST 19

faulted on its financial repayment obligations worth Rs 1,571 crore with regard to issuance of bonds and commercial papers.

DHFL ON Monday said it has de-

The defaults pertain to three cases with regard to interest pay-

ment on non-convertible debentures and commercial papers (CPs), Dewan Housing Finance Corporation Ltd (DHFL) said in a regulatory filing.

In a break-up, the non-banking financial company (NBFC) said it has defaulted on Rs 46.92 crore towards interest amount on secured NCDs (9.92 per cent and 9.40 per cent/10 year tenor); on

NCDs issued through a public issue for multiple tenors of amount involving interest of Rs 363.77 crore and principal amount of Rs 1,059.91 crore. Besides, defaults of Rs 100 crore occurred on CPs. The beleaguered NBFC has not

been able to fulfil its obligations towards debt repayment in the recent past and there have been several cases of defaults on commercial papers and bonds. The company is estimated to

be sitting on a debt-pile of over Rs 90,000 crore. The NBFC sector has been reeling under stress since the unfolding of the IL&FS liquidity crisis in September 2018 due to alleged fraud and mis-management issues.

Stock of DHFL closed 6.86 per cent up at Rs 49.05 on BSE.

## Disclosure lapses: Stricter M&A approvals: CCI lays norms set for listed firms

**PRESSTRUSTOFINDIA** NEW DELHI. AUGUST 19

MARKETS REGULATOR Sebi on Monday said companies in violation of disclosure regulations will have to pay a penalty of Rs 20,000 per day till the date of compliance. Securities and Exchange Board of India (Sebi) said that stock exchanges will impose fines in case of non-compliance with certain provisions of Issue of Capital and

Disclosure (ICDR) Regulations. The fine will be applicable if the bonus issue is delayed beyond 15 days from the date of approval of the issue by the board of directors in cases where shareholders' approval for making the bonus issue is not required.

While in the cases where issuer is required to seek shareholders' approval for making the bonus issue, the fine will be applicable if bonus is not issued within two months from the date of the meeting of board of directors. Sebi

With respect to delay in bonus issue, Sebi clarified that "the ap-

provals for the listing and trading of promoters' bonus shares may be granted by the stock exchange, only after payment of the requisite fine by the listed entity. "However, the approvals for the listing and trading of bonus shares allotted to persons other than the promoter(s) may be granted in the interest of the investors, subject to compliance with other requirements," Sebi said in a circular.

The fine will also be levied on entities that do not complete the conversion of convertible securities and allot the shares within 18 months from the date of allotment of such securities.

Meanwhile, top officials said that the regulator is planning to ease its norms for buyback of shares by listed companies, especially those having subsidiaries in housing finance and NBFC sectors.

A proposal in this regard is expected to be discussed by Sebi's board at its meeting this week, they added. The repurchase of shares by listed companies is governed by the Buyback Regulations of the Sebi as well as by the Companies Act.

Date: 19.08.2019

#### **PRESSTRUSTOFINDIA** NEW DELHI. AUGUST 19

PUTTING IN place a speedier approval mechanism, Competition Commission has introduced a green channel route for clearing certain categories of mergers and acquisitions. The green channel concept — recommended by the high level panel that reviewed competition law — would allow for an automatic system for speedy approval of combinations subject to certain conditions.

"Under this process, the combination is deemed to have been approved upon filing the notice in the prescribed format. This system would significantly reduce time and cost of transactions,' Competition Commission of India (CCI) said in a release on Monday.

Mergers and Acquisitions (M&As) or combinations beyond a certain threshold are required to have mandatory approval from the fair trade regulator.

The watchdog has also revised its pre-filing consultation guidance note to assist the parties in

#### **WILL FACILITATE SPEEDY APPROVAL**

■The green channel concept would allow for an automatic system for speedy approval of combinations subject to certain conditions

■CCI has also revised its pre-filing consultation guidance note to assist parties in determining their eligibility for green channel route

determining their eligibility for green channel route.

"The green channel is aimed to sustain and promote a speedy, transparent and accountable review of combination cases, strike a balance between facilitation and enforcement functions, create a culture of compliance and support economic growth," CCI said. So far, CCI has cleared 666 combinations, the release said.

# Vodafone Idea

resigned as CEO of Vodafone Idea. A company statement Monday said Ravinder Takkar, currently Vodafone Group's representative in India, would take over from Sharma with immediate effect as the new MD and CEO

#### otification would be published separately Date: 19.08.2019 On Behalf of the President of India, Group Director, Construction & Maintenance

**ITDA** 

being amended as under

Date 19.08.2019

## कुळगांव बदलापूर नगर परिषद

नगर परिषद दुबे रुग्णालय इमारत, पहिला मजला, आदर्श विद्यामंदिर रोड, बदलापूर रेल्वे स्टेशन (पूर्व) कुळगाव, पिन-४२१५०३. ता. अंबरनाथ, जि. ठाणे. ईमेल :- coud.kulgaonbadalapur@maharashtra.gov.in. वेबसाइट : http://kbmc.gov.in

### Corrigendum

(E-Tender Notice No.2)

KULGAON Badlapur Municipal Council has invited E-Tender for Planning and Designing construction of flat type high rise buildings cum commercial units including onsite development with all infrastructures services for economical weaker section (EWS) scheme at Belavali, Badlapur for 2298 housing units (EWS) vide published E-tender Notice No. 02 (Tender No. 2019\_DMA\_459536\_1) Dated 10.07.2019.

The last date of downloading online Tender is 23.08.2019 which is extended t 26.08.2019, similarly last date of online submission is extended from 23.08.2019 t 29.08.2019 up to 3.00 pm. The technical bid will be opened on 31.08.2019 at 11.30 am



New York/San Francisco: Alphabet Inc's Google has shut down a service it provided to wireless carriers globally that showed them weak spots in their network coverage, people in the know told *Reuters*, because of Google's concerns that sharing data from users of its Android phone system might attract the scrutiny of users and regulators. The withdrawal of the service, which has not been previously reported, has disappointed wireless carriers that used the data as part of their decision-making process on where to extend or upgrade their coverage. Even though the data were anonymous and the sharing of it has become commonplace, Google's move illustrates how concerned

the company has become about drawing attention

amid a heightened focus on data privacy. **REUTERS** 

Google cuts some

Android phone data

for wireless carriers

## Apple CEO warns Trump about China tariffs, Samsung competition Chinese goods, including con-

WASHINGTON, AUGUST 19

**REUTERS** 

**US PRESIDENT Donald Trump** said on Sunday that he had spoken with Apple Inc's chief executive Tim Cook about the impact of US tariffs on Chinese imports as well as competition from South Korean company Samsung Electronics Co Ltd.

Trump said Cook "made a good case" that tariffs could hurt Apple, given that Samsung's products would not be subject to those same tariffs. Tariffs on an additional \$300 billion worth of

sumer electronics, are scheduled to go into effect in two stages on September 1 and December 15. By contrast, the United States and South Korea struck a trade agreement last September. "I thought he made a very com-

pelling argument, so I'm thinking about it," Trump said of Cook speaking with reporters at a New Jersey airport. US stock futures rose upon opening on Sunday af ter Trump's comments. In addition to his comments on Apple, Trump said on Twitter earlier in the day that his administration was "doing very well with China."

#### Interested tenderers may please refer Detailed Notice Inviting Tender (NIT) from website www.isro.gov.in / www.tenderwizard.com/ISRO. For further details and purchase of tender documents visit www.tenderwizard.com/ISRO, Ph:08623 226447 226420 Group Director, CMG, SDSC SHAR