



## FMCG to Grow, But at Slower Pace: Nestle India Chairman

BRANDS & COMPANIES ►► 5

## US Web Giants Back Trump's Probe into French Tech Tax

AROUND THE WORLD ►► 13

## Barca Have Themselves to Blame for Slow Start

SPORTS: THE GREAT GAMES ►► 16



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**ETPrime.com**

The impact of RIL-Saudi Aramco deal  
China's olive branch to Indian drug makers: Can they cash in?  
Nvidia is helping build smarter chatbots. But there's a downside

BRANDS & COMPANIES ►► 5

**Inside story**

**Hotels and Travel Operators Feel the Heat This Summer**

The summer months of April, May and June, which traditionally witness brisk business in tourism, turned lukewarm this year for service providers and hospitality majors as the industry faced a slump in air traffic since the grounding of Jet and a slowdown in business activities. Among domestic hospitality chains, Indian Hotels Company reported a 1% rise in revenue from operations in Q1 while The Oberoi Group posted a 14% decline.

BRANDS & COMPANIES ►► 5

**Operational Creditors' Appeals Against Monnet Plan Dismissed**

An appellate tribunal on Monday dismissed appeals of operational creditors of Monnet Ispat against the ₹2,875-crore resolution plan by AION Investments and JSW Steel approved by the Mumbai bench of NCLT last year. Operational creditors BHEL, GAIL India and Bharat PetroResources and financial creditor IFCI had alleged discriminatory treatment under the plan.

Companies: Pursuit of Profit ►► 15

**Market Tracker**

	LAST	% CHANGE
Nifty	11,053.90	0.06
Sensex	37,402.49	0.14
Re/US \$	71.43	-0.39
Gold Std*	36,800.00	-0.41
Silver (₹/kg)	43,000.00	-1.83
Brent (\$)	58.73	0.05

\*₹/10gm  
Compiled by ETIG Database

**TASK FORCE ON DIRECT TAXES**

## Panel for Review of Tax Brackets, Surcharges

Moots startup-friendly and less-complicated regime for businesses, revamp of I-T Act

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New Delhi: A high-level government task force on direct taxes has proposed a rethink on the brackets, review of the surcharges levied on income tax, a regime that encourages startups and a revamp of the I-T Act to make it taxpayer-friendly, said people with knowledge of the matter.

It is understood to have suggested changes to the tax brackets, in what could lead to significant relief for the middle and upper middle class; a rate of 25% for both domestic as well as foreign companies, which face 40% tax now; and a concept of negotiated settlement via mediation that's popular overseas.

The committee submitted its report to finance minister Nirmala Sitharaman on Monday. The government hasn't made the report public.

"Overall, the emphasis is on designing a tax regime that is simple on compliances, faceless in all interactions with taxpayers and fosters businesses," one of the persons said, adding that

### Scripting A New Code...

Task force proposes a new income tax law

FOR EASE OF LIVING

Reljg of tax brackets to widen them, bring relief to middle class

Says surcharges should be temporary

Suggests steps to cut litigation

FOR EASE OF DOING BUSINESS

Common tax rate for domestic & foreign cos

De-linking of transfer pricing assessment with regular one

Negotiated settlements

the report is consistent with the philosophy expressed by Prime Minister Narendra Modi in his interview to ET earlier this month and reiterated in his Independence Day address.

The task force was headed by Akhlesh Ranjan, member, Central Board of Direct Taxes (CBDT).

The committee had to submit its report by May 31 but the then finance minister Arun Jaitley gave it two months more to complete the exercise.

Creation of Assessment Unit ►► 10

**NO NEED FOR LISTED COs, NBFCs & HFCs TO MAINTAIN DRR**

## Debenture Norm Eased for Firms

The Centre has removed the requirement that firms maintain a Debenture Redemption Reserve (DRR) of 25% of outstanding debentures for listed companies, NBFCs and HFCs. ►► 11

**NBFCs TO GET ₹1,100 CR FROM INVESCO DEAL PROCEEDS**

## Essel Set to Repay MFs ₹2,600 crore This Week

Fund houses with Zee shares as collateral will be paid out of ₹4,200 cr received from stake sale

Rajesh.Mascarenhas @timesgroup.com

Mumbai: Subhash Chandra's Essel Group will repay about ₹2,600 crore to mutual funds this week out of ₹4,200 crore it raised by selling 11% in Zee Entertainment to global fund Invesco Oppenheimer. Those fund houses from which the Essel promoters borrowed with Zee shares as collateral will receive this tranche of the payment, said a person familiar with the matter.

Nonbanking finance companies will get ₹1,100 crore out of the stake sale proceeds. Essel needs to repay mutual funds another ₹3,700 crore

### On Track

Essel promoters' pact with MFs gave them time till Sept 30 to repay debt

Pact prevented MFs from selling shares of group entities held as collateral

Essel needs to repay MFs ₹3,700 cr more

MFs could sell shares in open market to recover money if Essel fails to repay on time



### MF exposure to Essel Group

	Total Exposure to Essel Grp	Exposure to Zee Ent	Likely Repayment
AMCS	2,500	1,600	960
Birla	1,200	800	480
HDFC	1,000	300	180
Franklin Templeton	800	800	480
ICICI Pru	370	370	222
SBI	410	410	246
Kotak	6,280	4,280	2,568

Source: Industry Estimates (₹ Cr)

before September 30, failing which the latter could sell the shares in the open market to recover money.

About six fund houses have an exposure of nearly ₹6,300 crore with shares of Essel Group entities such as Zee, Dish TV and Essel Infrastructure as collateral.

Move to Boost Sentiment ►► 10

### Loans from NBFCs Shrink 2% in Q1

NBFCs saw loan growth shrink by nearly 2% in the quarter ended June 30, according to an analysis by Credit Suisse. ►► 10

## Incentives Needed to Turn Around Motown Fortunes: RC Bhargava

### Crash Course

For the first time, auto sales have fallen across all categories in FY20

350,000 JOBS affected across automakers, components firms & dealerships during Apr-Jul 2019

Bhargava says FY20 downturn different from 2008-09 and 2013-14



Maruti Suzuki chairman says pickup in monsoon has kindled hopes, asks banks to step up credit

Sharmistha.M@timesgroup.com

New Delhi: A lower base and good monsoon rains may help bring growth back to the auto market in the second half of FY20, but a meaningful turnaround hinges on government incentives, Maruti Su-

zuki chairman RC Bhargava said. A revival in the sense of "positive growth" will start from the third or fourth quarter, partly because of the lower base effect as sales have been falling for months, the chairman of the country's largest carmaker told ET.

A pickup in monsoon rains has also kindled expectations of an improvement in rural markets, "but of course, some incentives have to be given to get the industry going", he told ET.

Maruti has cut 3,000 Temp Jobs ►► 10

### PURE POLITICS

## Modi Calls up Trump, Slams Pak Rhetoric

PM Narendra Modi on Monday told US President Donald Trump that "extreme rhetoric and incitement to anti-India violence by certain leaders in the region was not conducive to peace" in a jibe aimed at Pak PM Imran Khan. ►► 2

Three NIA officers have been transferred out of the agency for allegedly demanding ₹2 crore from a Delhi businessman for not naming him in a terror funding case involving Hafiz Saeed, report Rahul Tripathi & Shaurya Gurung. ►► 3

## 3 NIA Officers Transferred for 'Blackmailing'

Three NIA officers have been transferred out of the agency for allegedly demanding ₹2 crore from a Delhi businessman for not naming him in a terror funding case involving Hafiz Saeed, report Rahul Tripathi & Shaurya Gurung. ►► 3

## HRD Shortlists 200 Academics for Institutes

Faced with an acute shortage of good academic leadership at many top educational institutes, HRD ministry is set to rely on a pool of 200 select academics it has trained and assessed on leadership qualities, reports Anubhuti Vishnoi. ►► 4



## THE FIRST WATCH WORN ON THE MOON

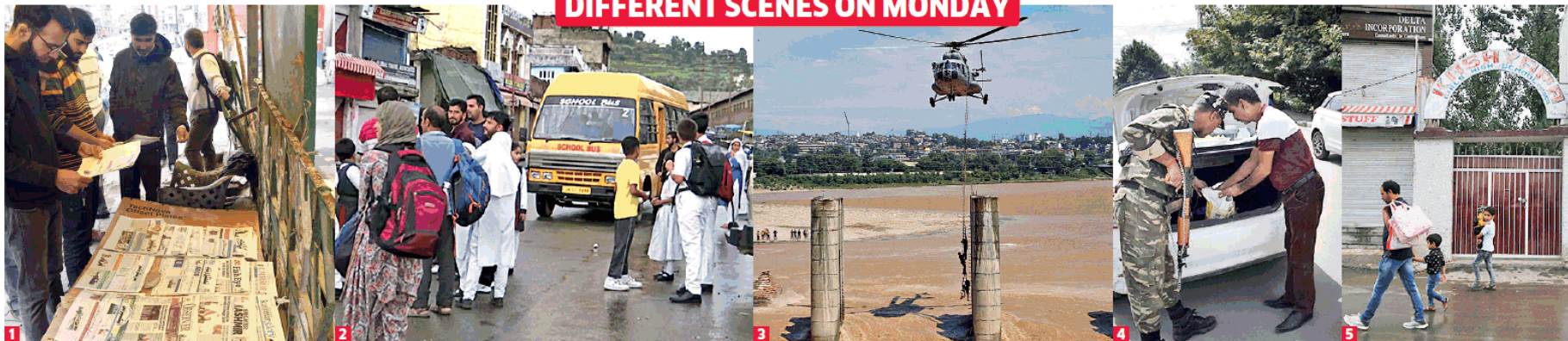
On the 50th anniversary of the first lunar landing, OMEGA is reflecting on the golden moments that defined that iconic day. Worn by the Apollo 11 astronauts and on hand for all six lunar missions, OMEGA's Speedmaster Professional has earned a special place in our pioneering history.

#MOONWATCH



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DIFFERENT SCENES ON MONDAY



1. At a newspaper stall in Srinagar 2. In Rajouri 3. Army chopper rescuing fishermen who were trapped due to a sudden rise in water level of Tawi river in Jammu 4. In Srinagar city 5. Outside a closed school in Srinagar

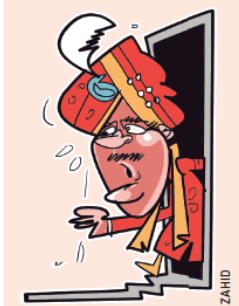
OTHER NEWS OF THE DAY

Pak Extends Army Chief's Tenure



ISLAMABAD: Pakistan extended its military chief's tenure on Monday, ensuring stability in what is arguably the country's most powerful position as tensions soar with rival India and Washington is expected to announce a withdrawal deal in Afghanistan. "General Qamar Javed Bajwa is appointed as chief of army staff for another term of three years," read a statement from Prime Minister Imran Khan's office. "The decision has been taken in view of the regional security environment." The extension, which had been widely expected, was also confirmed by the military's spokesman. - PTI

Businesses Hit Hard in Wedding Season of J&K



SRINAGAR: Business in Kashmir's traditional wedding season has taken a hit as thousands of couples have opted for simpler ceremonies due to the restrictions imposed in the valley following the scrapping of J&K's special status. Mutton suppliers, camping agencies, jewellers, wedding wear outlets and wazan (traditional Kashmiri cuisine) cooks have seen their business slump due to the no-frills wedding ceremonies after restrictions were imposed on the movement of people. The local dailies, which have managed to publish a few pages, have a dedicated page for advertisements related to the cancellation of invitations extended to relatives and friends. - PTI

JAMMU AND KASHMIR RETURNING TO NORMALCY

Primary schools reopen in Valley; most private schools remain closed as parents refuse to send their wards fearing protests; mobile communication, Internet services likely to remain suspended; more landline phones restored

Middle Schools to Reopen Wed

NSA Ajit Doval meets home minister Amit Shah after his return from the Valley

Rahul.Tripathi@timesgroup.com

New Delhi | Srinagar: After reopening primary schools in the Valley, the J&K administration on Monday said it would reopen all middle-level schools across Kashmir from Wednesday, despite a low student attendance. The officials said presence of staff at all primary schools was an encouraging sign and the administration has decided to reopen all the middle schools across Kashmir on Wednesday.

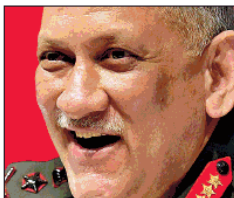
The administration had made necessary arrangements for opening of 190 primary schools in Srinagar city, but most private schools remained closed as parents refused to send their wards fearing violent protests. According to J&K police, a public school at Bemina and Kendriya Vidyalayas were attended by the students. Authorities said mobile communication and Internet services are likely to remain suspended due to reports of hooliganism but more landline phones were restored on Monday. "Landlines are being restored. BSNL is working on it," state government spokesperson Rohit Kansal said.

Home ministry officials, meanwhile, declined to comment on unconfirmed reports that two BSNL employees helped set up broadband services for separatist SAS Geelani in the first four days of the lockdown. Later in the day, J&K police tweeted: "Today situation remained peaceful across J&K. No untoward incident reported from anywhere." NSA Ajit Doval met home minister Amit Shah after his return from the Valley. Officials said Doval spoke on the prevailing security situation in the state, and additional measures being taken to ensure that no untoward incident is reported. Home secretary Rajiv Gauba and IB chief Arvind Kumar were also present. Shah reviewed the steps taken to maintain the law and order situation in the state. (With PTI inputs)



PEACEFUL ACROSS J&K

'Situation remained peaceful across J&K. No untoward incident reported from anywhere'

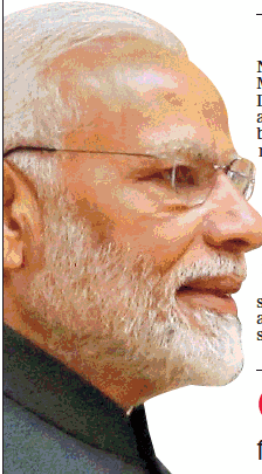


Was Ready For War After Balakot: Rawat

NEW DELHI: The Army was ready for a full-fledged war with Pak after the Balakot air strikes, General Bipin Rawat has said. Before undertaking the strikes on a terrorist training camp on February 26, the government had examined several contingencies and their possible repercussions, he said. At that point, the Army had conveyed to the government that it was prepared to meet Pakistan's 'ground escalation' and take the battle into enemy territory. - Shaurya Gurung

PM MODI, PRESIDENT TRUMP HOLD TELEPHONIC CONVERSATION

Rhetoric Not Conducive to Peace: Modi



Our Political Bureau

New Delhi: Prime Minister Narendra Modi on Monday told US President Donald Trump that "extreme rhetoric and incitement to anti-India violence by certain leaders in the region was not conducive to peace", without naming Pakistani PM Imran Khan. The White House in a statement later in the day said: "The President conveyed the importance of reducing tensions between India and Pakistan and maintaining peace in the region." The 30-minute telephone conversation covered issues of bilateral and regional importance, a PMO statement had earlier said. Referring to their bilateral discus-

sions in Osaka, the prime minister expressed hope that India's commerce minister and the US trade representative would meet at an early date to discuss matters for mutual benefit.

President conveyed the importance of reducing tensions between India & Pak

White House in a statement Referring to the regional situation, the prime minister highlighted the importance of creating an environment free from terror and violence and eschewing cross-border terrorism without exception. Modi reiterated India's commitment to cooperate with anyone who followed this path, in fighting poverty, illiteracy and disease.

The prime minister reiterated India's commitment to cooperate with anyone who followed this path, in fighting poverty, illiteracy & disease @PMOIndia



DESPITE FOREIGN MINISTER S JAISHANKAR ALLAYING FEARS

China Raked up Status of Aksai Chin at UNSC Informal Session

Aksai Chin, a territory in Ladakh, is under illegal Chinese occupation

DipanjanRoy.Chaudhury @timesgroup.com

New Delhi: China not only supported Pakistan on the Kashmir issue at last Friday's closed-door informal session of the UNSC but also raked up the status of Aksai Chin, a territory in Ladakh illegally occupied by Beijing, ET has learnt. The Chinese permanent repre-



sentative in the UN claimed that India's decision to abrogate Article 370 challenged China's sovereign interests and violated bilateral agreements on maintaining peace and stability in the border area. "India's action has also challenged

the Chinese sovereign interests and violated bilateral agreements on maintaining peace and stability in the border area and, on that, China is also very much seriously concerned," the senior Chinese diplomat is believed to have said, in an indirect reference to the status of Ladakh. "Such unilateral practice by India is not valid in relation to China and will not change China's exercise of sovereignty and effective administrative jurisdiction over the territory."

China decided to raise the issue at the UN despite foreign minister S Jaishankar allaying fears that re-designating Ladakh as a Union Territory would not impact the Line of Actual Control and that India was not making any additional territorial claims.

Violence Outside London Mission: India Conveys Concerns to UK

Press Trust Of India

New Delhi: India has conveyed its concerns to the UK over incidents of violence during a protest by Pakistani supporters outside the Indian High Commission in London on Independence Day, government officials said on Monday. Violent clashes took place outside the Indian High Commission when thousands of people converged there for pre-planned protests and counter-demonstrations on Thursday. India took up the matter with the British High Commission here and conveyed its concerns about the incidents of violence during the protests, officials said.

88,121 FAMILIES TO BENEFIT

Centre Set to Launch Integrated Power Scheme in 53 J&K Towns

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New Delhi: The Centre has decided to launch IT-enabled Integrated Power Development Scheme (IPDS) in 53 small towns of J&K to improve electricity supply to the people. These towns, including Uri, Gulmarg, Pahalgam, Pampore and Charar-i-Sharief, have a population of close to 4 lakh, with about 88,000 electricity consumer families. "The scheme will bring improvement in consumer satisfaction and power supply reliability, monitoring of all feeders, proper energy accounting and auditing as meter data... will be acquired automatically from remote avoiding any human intervention," said the proposal reviewed by ET. The J&K Power Development department will be executing the project after having implemented such a sys-

List of a Few Towns & Families

Town	Families
Bishna	5,562
Arnia	3,884
Banihal	1,206
Reasi	2,394
Uri	872
Gulmarg	1,221
Awantipora	2,583
Pampora	4,391
Pahalgam	1,842
Beerwah	2,037
Magam	3,200
Charar-i-Sharief	1,765

tem in bigger towns of the state. "This program is an extension of the IT system to smaller towns which spans from data acquisition at distribution level to monitoring of results of steps taken to provide an IT backbone and strengthening of the electricity distribution system," the proposal said. The initiative will help the authorities calculate the correct transmission losses and ensure development of system for automated daily calculation of reliability indices. The Centre's IPDS for urban areas involves strengthening of sub-transmission and distribution network in urban areas, provisioning of solar panels on government buildings and the metering of feeders, distribution transformers and consumers. The IT enablement of this system in smaller towns of India was approved in 2017 and is being rolled out in J&K now.

WANT TO VERIFY VERACITY OF MEDIA REPORTS: LAWAY, MIR

PDP MPs Yet to Resign Despite Mehbooba Mufti's Directive

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New Delhi: PDP MPs Nazir Ahmad Laway and Fayaz Ahmad Mir haven't quit their Rajya Sabha berths even a fortnight after party chief Mehbooba Mufti asked them to resign in protest against the Centre withdrawing J&K's special status and split the state into two Union Territories. The two have been staying put in Delhi too, citing travel restrictions to Srinagar. When the Centre announced the decision on August 5, both the MPs staged a protest inside and outside Parliament, shouted slogans in the well of the Rajya Sabha and tore a copy of the Constitution, resulting in their suspension from the House for a day. However, they have not resigned from Parliament as directed by Mufti just before she was put under house arrest along with several other politicians in the state.



When ET contacted the MPs, Laway and Mir said they had not resigned because they "want to verify" the "veracity of media reports" about Mufti seeking their resignations. One of them also said some other MPs told them that "resignation will not serve any purpose." "Since telephone lines aren't working in the state, especially where Mehbooba has been kept, we are unable to contact her and ascertain the veracity of media reports that said she wanted us to resign," Laway told ET. "We have been unable to go to Srinagar and contact our leader and colleagues to verify whether we indeed have to resign," said Mir. However, they said they have not made any effort to fly to Srinagar. Laway gave another reason. "When we discussed with MPs of NC (PDP's rival in J&K), they told us the resignation won't serve any purpose." Both MPs also said they were "hoping" to visit Srinagar soon.

THIRD EYE



Battling Against Low Oxygen

The Aadi Mahotsav at Leh was an eventful one for the Ministry of Tribal Affairs. Although the ministry had advised officials and media persons to get themselves acclimatised in Leh, it found that many in the travelling party were battling against low oxygen. The first person to be hospitalised was tribal affairs minister Arjun Munda's son. At least six officials fell sick, including an official who had to be airlifted and hospitalised in Delhi.



Elevations Under Consideration

Legal circles are speculating that Justices Vijaya K Tahilramani and Ravindra Bhat, chief justices of the high courts of Madras and Rajasthan, respectively, might be appointed to the Supreme Court. The other two names which may also come up for consideration, according to eminent jurists, are Justices KS Jhaveri and Hrishikesh Roy, chief justices of Orissa and Kerala high courts, respectively. The SC will have four vacancies by the month-end.



'Clerical Errors'

The health ministry notified the National Medical Commission Act in the gazette on August 8. But much to the embarrassment of the ministry, the three key amendments by Parliament, especially the one on increasing the members nominated by states to the National Medical Commission, were left out in the final notification. The ministry had to issue a corrigendum to correct what it termed "clerical errors".

Poliloquy R PRASAD



Schools reopen in Kashmir. Attendance thin. The national mainstream is in spate and my school is across the river!



## Trump 'Not Ready' for Trade Deal with China, Dismisses Recession Fears

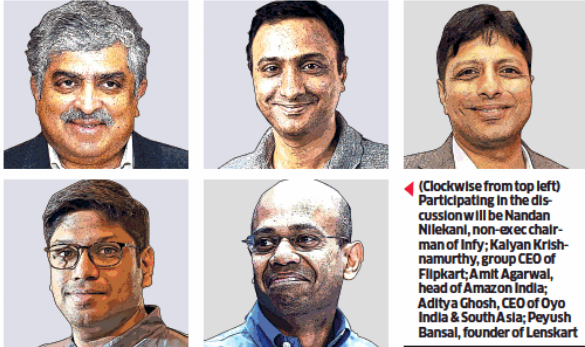
AROUND THE WORLD &gt;&gt;&gt; 13

# Digitising Bharat on Agenda at ET Startup Awards 2019



presents

THE ECONOMIC TIMES  
**STARTUP AWARDS 2019**



(Clockwise from top left) Participating in the discussion will be Nandan Nilekani, non-exec chairman of Infy; Kalyan Krishnamurthy, group CEO of Flipkart; Amit Agarwal, head of Amazon India; Aditya Ghosh, CEO of Oyo India & South Asia; Peyush Bansal, founder of Lenskart

Top industry leaders to deliberate on 'Building Digital Businesses for Bharat' at panel discussion

## Our Bureau

**Mumbai:** A high-powered group of industry leaders, including Nandan Nilekani, non-executive chairman of Infosys, Kalyan Krishnamurthy, group CEO of Flipkart, Amit Agarwal, head of Amazon India, Aditya Ghosh, CEO of Oyo India & South Asia, and Peyush Bansal, founder of Lenskart, will deliberate on "The Next Frontier: Building Digital Businesses for Bharat" at a panel discussion to be held at The Economic Times Startup Awards on August 23 in Bengaluru.

The distinguished panelists, who bring with them years of operational exper-

ience in building businesses at scale, will talk about the opportunities, challenges and the road ahead for the country's digital economy, as companies seek to draw the next 500 million Indians into the digital mainstream.

Union ministers Ravi Shankar Prasad and Piyush Goyal, and Karnataka chief minister BS Yeddyurappa, who are the guests of honour at the grand ceremony to felicitate the winners of the prestigious awards, will also address the gathering of 350 select guests that will comprise the who's who of the Indian startup ecosystem.

Over the past six months, Indian startups have witnessed heightened activity with even idea-stage companies attracting never-seen-before amounts of funding. As a slug of capital flows in to bolster entrepreneurship, a new crop of startups across ecommerce, financial services, social networking, education, healthcare and hospitality is starting to build solutions for India beyond the metros, aided by cheap data and smartphones.

Since 2013, India has been adding over 40 million internet users each year on an average. But this population is not homogeneous, and behaves differently from the first set of consumers — a population largely concentrated around big cities.

Remodelling Businesses &gt;&gt;&gt; 9

## HIGHER TAX SURCHARGE ON SUPER-RICH

## Mine KYC Data to Target Beneficiaries, Spare Us: FPI Lobby Urges Govt

Suggestion made during presentation to finmin; tax experts feel it will be tough to implement proposal

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**Mumbai:** A leading lobby of foreign portfolio investors (FPIs) has proposed that the government should use the information on ultimate beneficial owners to target individuals rather than broadbased entities while imposing the higher tax surcharge that has irked offshore fund managers.

The industry body is understood to have told the finance ministry during the course of a recent presentation that taxing individuals in a certain category of funds should be possible with the increased know-your-customer (KYC) requirements on ultimate beneficial owners (UBOs).

"If the intention is to tax wealthy individuals caught under category-III FPIs, the government should be able to identify those individuals rather than (go after) an entity with numerous beneficiaries... The government should levy the increase in surcharge on those intended to be targeted," a spokesperson for Asia

## FPI Wish List

Apply higher surcharge on individuals who control FPIs

Use info on beneficiaries to identify them

Spare broadbased entities



Securities Industry & Financial Market Association (SIFMA) told ET.

Category-III foreign portfolio investors may include endowments, charitable societies, trusts, foundations, individuals and family offices.

Tax experts, however, believe it will be difficult to implement the suggestion. "It will be practically impossible to tax the ultimate beneficiaries of a trust directly. They may be in large numbers, and spread across jurisdictions. And tax treaties of these jurisdictions with India will have to be considered while levying tax," said senior chartered accountant Dilip Lakhanli.

Carve-out for All FPIs Best Answer &gt;&gt;&gt; 9

## SAT DISPLEASED OVER ABSENCE OF SYSTEM TO COMPENSATE INVESTORS

## Sebi Faces Flak as Mkt Fraud Victims Suffer

The Securities Appellate Tribunal (SAT) pulled up the capital market regulator Sebi for not having a mechanism in place to compensate investors who are victims of stock market manipulations, reports Pavan Burugula. >>> 9

## B-schools Score High on Gender Diversity

BRIDGING THE GAP Women student intake at SPJIMR, ISB and IIFT above 35%

Prachi Verma Dadhwal &amp; Rica Bhatta Charyya

**New Delhi | Mumbai:** The percentage of women students for the 2021 graduating year hit a record at Indian B-Schools, with intake at SP Jain (SPJIMR), Indian School of Business (Hyderabad and Mohali) and Indian Institute of Foreign Trade (IIFT) above the 35% threshold, ahead of the premier Indian Institutes of Management (IIMs).

The older IIMs of Ahmedabad, Banga-

lore, Calcutta, Lucknow, Indore and Kozhikode scored an average of 33.5% on gender diversity in their lecture halls, with intake of women students at IIM-A slightly dipping to 24% from 26% a year ago. Individually IIM Indore has 42% women while it's 37% at IIM Bangalore and Lucknow. IIM Calcutta has 31% women and Kozhikode has enrolled 30% women in their respective new batches.

While SPJIMR intake crossed 40%, women students made up 36% of the 2021 class at IIFT (Kolkata and Delhi) compared with 32% for the 2020 gradu-

## Farmers' Biometric Identification Must for Food Procurement



The government is planning a major reform in food procurement by mandating biometric identification for farmers to weed out malpractices and ensure that only bona fide farmers get the benefit of minimum support prices, reports Rituraj Tiwari. >>> 10

## Balesh Sharma Quits Voda Idea, Ravinder Takkar Named CEO

Vodafone Idea CEO Balesh Sharma quit Monday with immediate effect, less than a year into his job.

Ravinder Takkar was appointed CEO and MD of the telco whose share price is near an all-time low amid losses and falling subscriber and revenue market shares. >>> 15

## Trai Looks to Lower International Roaming Charges

The telecom regulator has begun discussions with its overseas counterparts to reduce roaming charges for subscribers going abroad, reports Gulveen Aulakh. To start with, it has started talks with SAARC countries, barring Pakistan. >>> 15

### Gender Sensitive

Better classroom gender diversity in non-IIM B-schools than leading IIMs

**MEASURES THAT HAVE HELPED...**

- 1) Extra marks in the interview round
- 2) Relaxations in the cutoff in pre-interview list
- 3) Some like ISB are offering daycare, family accommodation and crèche facility
- 4) Pressure from recruiters

Illustration: ANIRBAN BORA

Women-friendly Initiatives &gt;&gt;&gt; 10

**NO PLAN TO CONDUCT ASSET QUALITY REVIEW OF NBFCs: RBI GOV**

# Look at Opportunities too, not Just Difficulties: Das

RBI governor stresses on importance of positive sentiment, calls on banks to spur credit growth

Our Bureau

Mumbai: Reserve Bank of India governor Shaktikanta Das said the economy faces challenges but maintaining a positive outlook was important and called on banks to spur credit growth amid flagging investment.

"The mood today ranges from existential angst to a positive attitude," he said. "I think the sentiment is very important - please look at the opportunities ahead of us. One does realise that there are challenges in the economy, there are sectoral issues, there are severe external global headwinds, but India cannot live in isolation. One has to look at the opportunities and capitalise on that."

"The financial sector should not worry too much over the slowdown, he said.

"I am not saying we maintain a Panglossian countenance that we smile away every difficulty," Das said at the annual banking conclave organised by the Federation of Indian Chambers of Commerce & Industry (Ficci) and the Indian Banks' Association (IBA). "But in any real economy the mood is very important."

Falling vehicle sales, a rise in unsold apartments and the liquidity squeeze gripping nonbanking finance companies (NBFCs) have prompted Rahul Bajaj, AM Nalk and Deepak Parekh, among



**I am not saying we maintain a Panglossian countenance that we smile away every difficulty. But in any real economy the mood is very important.**

**Today, the economy requires a certain amount of push not just from the monetary policy but also from its transmission**

**SHAKTIKANTA DAS**  
RBI Governor

**Das said it was the right time to formalise the linking of fresh loans with external benchmarks such as the repo rate**

others, to cite the economic slump in the past few weeks.

The economy grew at 6.8% in FY19, the slowest in five years. Industrial output in 11 of the 23 manufacturing segments contracted in the June quarter from a year ago.

Das said it was important to look to the opportunities and build on them.

The credit crisis that engulfed the NBFC sector after the Infrastructure Leasing & Financial Services (IL&FS) default in September last year was followed by demand destruction in the automobile sector and a breakdown in India's consumption economy. Since then, repayment worries have gripped big companies such as Dewan Housing, Es-

sel Group and the Anil Ambani-led Reliance Group.

While the RBI has maintained surplus liquidity in the system over the past two months, there is still a considerable credit squeeze in the NBFC sector due to the risk aversion that has hit the banking system.

He said about 50 NBFCs and mortgage firms are under close watch but there's no plan to conduct a review of the sector's assets. "At the moment, there is no proposal to have an asset-quality review (of NBFCs)," the governor said. "Fifty-odd NBFCs and HFCs (housing finance companies) are being closely monitored, which includes scrutinising all aspects of the functioning of NBFCs, including their capital adequacy, stability, their cash inflow and outflow."

**'Faster Transmission of Policy Rates Needed' >> 9**  
**Das' Appeal to not Gloss over Matters: SEE EDIT**

## Work Begins on Revising CPI Base Year for Agri, Rural Labour

The Labour Bureau has kickstarted the exercise of revising the base year for Consumer Price Index for agricultural and rural labourers to 2019-20 from 1986-87 besides developing an index for all states and UTs, reports **Yogima Sharma**. The index is used for determining minimum wages and for those under NREGA. >> 11

## IT Industry Asks Govt for Lower Taxes, SEZ Benefits

India's software export industry may lose out on its competitive edge due to falling incentives and rising tax rates. They have asked the government to extend benefits under SEZ policy beyond April 2020, reduce corporate taxes for large firms and review the buyback tax, reports **Surabhi Agarwal**. >> 6

## IOC Plans to Invest ₹25kCr in Green Energy Projects

Indian Oil Corp (IOC) plans to invest ₹25,000 crore in green energy projects, including solar and wind power plants, biofuel plants, and solar panels at filling stations, reports **Sanjeev Choudhary**. Indian Oil plans to scale up its solar and wind power portfolio to 260 MW by 2020. >> 14

## FORMER FM ASKED TO APPEAR ON AUG 23

# Chidambaram to be Questioned by ED in AI Purchase Probe

Chidambaram-headed EGoM finalised purchase of 111 aircraft, up from initial plan for 67 planes

Our Political Bureau

New Delhi: The Enforcement Directorate (ED) has summoned former finance minister P Chidambaram for questioning on August 23 in connection with its ongoing probe into alleged wrongdoing in purchase of 111 aircraft for Air India during the term of the erstwhile Congress-led United Progressive Alliance government.

Chidambaram will be questioned about the decision to purchase more aircraft from Airbus and Boeing than the initial requirement pegged at 43 and 24 aircraft, respectively, people with direct knowledge of the matter told ET on condition of anonymity. The senior Congress leader headed the empowered group of ministers that finalised the decision in 2009 to purchase the aircraft.

The former finance minister, whose role is also being investigated by the ED in two separate money-laundering cases of Aircel-Maxis and INX Media, will be questioned in the alleged aviation scam which includes charges against public servants for making state-run Air India give up profitable routes and slots in favour of local and foreign private carriers.

The Central Bureau of Investigation (CBI) had registered a criminal case in the matter in May 2017 on the directions of the Supreme Court.

More public servants involved in the purchase of the aircraft - including officials of the ministries of civil aviation, finance, law and corporate affairs,

## Airbus Files

**Former FM P Chidambaram** was taken by ED in the Airbus case

**Patel** said decision was taken by Chidambaram-headed EGoM

**Corporate lobbyist Deepak Talwar** stands arrested in the same case

**Then** aviation minister Praful Patel had been questioned by CBI & ED

**Bureaucrats** of civil aviation, finance, law ministries among others under scanner

**Former FM P CHIDAMBARAM**

**CBI had registered a criminal case in the AI fleet purchase case in May 2017 on directions of the SC**

and the then Foreign Investment Promotion Board - are likely to be questioned by both the ED and CBI in the case, said the people cited earlier.

As per the first information report (FIR) filed in the case, private parties were favoured in leasing out 15 expensive aircraft which Air India did not even have pilots to fly. Other charges include diversion of funds received under corporate social responsibility.

The irregularities, according to the investigating agencies, resulted in a huge loss of market share to the national carrier and pecuniary benefits to domestic and foreign private airlines.

**Patel Put Onus on EGoM >> 9**

# Amazon Readies New Spread to Lure Eateries Away from Zomato, Swiggy

Proposes commissions as low as 6-7% to break exclusivity contracts with established players

Aditi.Shrivastava1@timesgroup.com

Bengaluru: US-based online retailer Amazon is proposing competitive commissions to lure restaurants onto its platform and break away exclusivity from established players Zomato and Swiggy, as it starts onboarding eateries, two people aware of the company's strategy said.

Amazon's foray into the cash-guzzling online food-ordering sector comes at a time when restaurants are protesting against large food-delivery aggregators for pushing deep discounts which they claim hamper business economics. "Restaurants, which were paying a

commission of 15-17% to food aggregators, are being given an introductory fee of as low as 6-7%" and the promise of high order volumes, an Amazon executive said on the condition of anonymity. "This was the exact same way Swiggy started," he added.

A commission is a service fee the aggregator charges a restaurant for providing a food delivery order.

The e-commerce behemoth is actively pitching to break exclusivity contracts restaurants have signed with food aggregators, the company executive said.

Amazon did not respond to ET's email until the time of going to press. The e-tailer's food delivery service is set to be launched from Bengaluru

around Diwali, through its two-hour delivery app Prime Now, under the brand 'Amazon Restaurant', the sources said. The company plans to keep the business focused on the top metros, they said. "They will look to increase use cases for their premium customers and bulk up the Amazon Prime user base," another company executive said. "Categories like food and grocery delivery form a large part of driving repeats."

The company will also deliver medicines and beauty products soon, among others, he added.

Amazon and Catamaran Ventures' local joint venture Prione Business Services has already started hiring sales and account managers as it nears the official launch date.

"These people are already approaching restaurants to understand their dependencies on other food aggregators, and nuances like top selling items, among other issues," said another person privy to the company's plans.

Amazon is also roping in cloud kitchens like FreshMenu, Rebel Foods, Foodpanda and Eat.Fit as well as top restaurant chains such as McDonald's, Domino's, KFC, and regional chains, he added. These were first on its target list.

## Food Now

Amazon plans to launch 'Amazon Restaurants' in India this year

### METRO FOCUS

To start with top 10 metros where Amazon Prime Now available

Amazon has not been successful with food delivery in US and UK

## The Opportunity

Commissions in food delivery go up to 30%

Average order value ₹300

Food delivery sector sees one of the highest repeat orders in ecomm

Swiggy and Zomato continue to expand



**Cash Burn to Intensify >> 9**  
**Restaurant Bodies to Meet Aggregators >> 14**

**ONGOING INVESTIGATION** SP, two junior officers transferred from NIA for allegedly demanding ₹2 crore from Delhi-based businessman in FIF terror funding case, probe ordered

# NIA Officers Under Probe Over Blackmailing Charges

Rahul Tripathi & Shaurya K Gurung

New Delhi: The National Investigation Agency (NIA) is probing allegations against three officers, including a superintendent of police (SP), that they demanded ₹2 crore from a Delhi-based businessman for not naming him in a terror funding case involving Mumbai attack mastermind Hafiz Saeed, and has transferred the officers out of the counterterrorism agency until the matter is thoroughly examined.

People aware of the matter told ET that the NIA received a complaint about a month ago regarding the SP and two junior officers who were investigating the Falah-I-Insaniyat Foundation (FIF), run by the Pakistani-based terrorist group Lashkar-e-Taiba chief Hafiz Saeed. "The NIA takes such complaints very seriously. As an initial step, the officers were transferred out of the agency," said one person. "It doesn't mean that the allegations are correct. A probe headed by a DIG rank officer of the NIA is on... The findings will be clear only when the probe is over. To take any action against the officers we want to examine

The terror funding probe relates to 26/11 mastermind Hafiz Saeed-run Falah-I-Insaniyat Foundation

## THE HAFIZ SAEED LINK

Last year, NIA registered a case against deputy chief of FIF — Shahid Mahmood and others — for hatching a conspiracy around 2012 to create sympathisers, sleeper cells and logistics base in Delhi and Haryana under the garb of religious work



**A probe headed by a DIG rank officer of NIA is going on. Right now, it can't be conclusively said that the allegations have been established, an NIA official said**

### THE CHARGES

The officials allegedly obtained a statement from a witness, who is also believed to be part of the extortion racket, officials said

A fingerprint expert from NCRB and an ASI from BSF — both on deputation to NIA — were allegedly also part of the operation

### THE PROBE

To take any action against the officers, we want to examine the matter first, said an NIA official

### ACTION AFTER REPORT

There are allegations of attempted extortion. Depending on the findings of probe, action will be taken

tion and the allegations have not yet been established. Besides the SP, the agency is probing the role of a fingerprint expert on deputation from the National Crime Records Bureau and an assistant sub-inspector of the Border Security Force, also on deputation to the NIA, said the person cited earlier.

The NIA was recently given wider powers by Parliament by amending the Unlawful Activities (Prevention) Act and NIA Act. ET could not reach the three officers under the NIA probe and ascertain their views on the matter despite repeated calls and text messages.

### THE FIF CASE

Last year, the NIA, based on its investigations, registered a case against the FIF's deputy chief Shahid Mahmood and others for hatching a conspiracy around 2012 to create sympathisers, sleeper cells and logistics base in Delhi and Haryana under the garb of religious work.

The NIA first arrested two persons, Mohammad Salim and Mohammad Salim, both residents of Delhi, and later Mohammad Husain Molani, a resident of Nagaur in Rajasthan. In July this year, it secured deportation of Mohammad

Arif Gulambashir Dharampuria, a trader from Valsad in Gujarat, from the United Arab Emirates. So far, the agency has filed two charge sheets against the accused including Hafiz Saeed.

In its latest charge-sheet, filed on July 18, the agency named Molani, 43, on charges of criminal conspiracy and various sections of UAPA. In a statement issued after filing the charge-sheet, the NIA said, "Deputy chief of FIF Mahmood tasked his associates namely Mohammad Kamran, a Pakistani national based at Dubai, for re-routing funds from Pakistan to Dubai and further to India through hawala channels."

Mehmood further tasked Kamran with identifying persons who could be given this fund on the pretexts mentioned earlier and create a base of sympathisers. During this preparatory work, the target persons were intended to be used for creating sleeper cells and hideouts, the agency alleged in a statement.

Accordingly, the NIA said, Kamran identified a few Indian nationals in Dubai and also identified one person in India, Mohammad Salim, for this purpose.

### IL&FS MONEY LAUNDERING PROBE

## ED Summons Raj Thackeray, Quizzes Manohar Joshi's son

Agency wants to question Thackeray on his exit from Kohinoor group: Sources

Our Political Bureau

Mumbai: The Enforcement Directorate (ED) on Monday questioned Unmesh Joshi, son of former Maharashtra chief minister and senior Shiv Sena leader Manohar Joshi, in connection with the money laundering probe conducted by the agency in the cash-strapped Infrastructure Leasing & Financial Services Limited (IL&FS) case.

Last week, the federal agency had summoned Joshi and Maharashtra Navnirman Sena (MNS) chief Raj Thackeray to explain the default at Kohinoor group, which had borrowed from one of the subsidiaries of the over ₹91,000-crore debt-riddled IL&FS group. While Joshi joined the probe on Monday, Thackeray has been asked to appear before the agency on Thursday.

The agency is probing the IL&FS group's loan and equity investment



## Oppn Parties Term Move 'Witch-Hunt'

Krishna Kumar @timesgroup.com

Mumbai: The political temperature in Maharashtra has gone up a few notches after major opposition parties, barring Prakash Ambedkar's Bahujan Vikas Aghadi, rallied behind MNS chief Raj Thackeray who has been summoned by the Enforcement Directorate to appear before it in the IL&FS case.

The Congress, NCP and the Swabhimani Shekari Sanghata have termed the move as 'witch hunt' and linked it to Thackeray's lead role in the campaign against use of electronic voting machines in the forthcoming assembly elections. Maharashtra Congress chief Balasaheb Thorat said that it was clear that the government was rattled by the MNS chief's campaign against the BJP during the Lok Sabha polls and on the EVM issue. "It is clear that the government has been exposed and rattled by Raj to use agencies like the Enforcement Directorate, CBI and the income-tax department to target those raising questions

against the government. The government was either targeting political rivals with such agencies or labelling them 'anti national'," Thorat alleged. Nationalist Congress Party leader Nawab Malik said "the people of the country are watching and will teach BJP a lesson. All opposition parties will come together and tackle this unitedly." To express solidarity and support Raj, the NCP leader Vidya Chavan met Thackeray at his residence. Chief minister Devendra Fadnis, however, denied the allegation that BJP was behind the ED summons. "If he (Raj) is not involved, then he should not worry. He should present the (correct) picture before the ED. If there is some involvement, he would have to face punishment," Fadnis said. "I have heard from you people about the notice. The ED is independent and has no connection with us," he added.

legedly failed to repay.

"Before questioning Thackeray, Joshi has been questioned on the loans taken from the IL&FS arm, and was also confronted with the

revelations made by the senior officials of Kohinoor who were probed earlier, including why the shares were sold at a loss by IL&FS," said an official.

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### ASSAM CM MEETS HOME MINISTER

## Govt May Consider Legislative Option to Deal with Wrongful NRC Inclusion

'PEACEFUL PROCESS' Will ensure peaceful publication of the NRC later this month: Sonowal

Our Political Bureau

New Delhi/ Guwahati: The government may consider legislative options to deal with wrongful inclusions in the final list of National Register of Citizen (NRC) in Assam, which will be published on August 31, chief minister Sarbananda Sonowal indicated after his meeting with the Union home minister Amit Shah on Monday.

Shah assured all help for the state to maintain law and order before and after the final publication of the NRC, said a statement issued by the Assam government.

Sonowal elaborated on the security apparatus put in place in Assam in the event of any law and order situation. He also informed Shah that the people of Barak-Brahmaputra, hills and pla-



Assam chief minister Sarbananda Sonowal felicitates home minister Amit Shah in New Delhi on Monday. ANI

ins extended all cooperation to the state government during the ongoing NRC updation process which is being carried out in the state under the supervision of the Supreme Court of India. He also said that during the first

and final draft publication of the NRC, people of the state showed immense maturity and this time the government expects similar response.

Sonowal also said that for the safety, security and integrity of the

nation, the steps taken by the present Central government deserves all appreciation. The recent constitutional amendment would lead to Ek Vidhan, Ek Nishan, Ek Pradhan (one constitution, one flag and one premier), the chief minister added.

Sonowal briefed Shah on the security apparatus put in place in Assam in the event of any law and order situation. In July last year, over 40 lakh people were excluded from the complete draft of the NRC, which contained 2,89,83,677 eligible people out of a total 3,29,91,384 applicants. An additional 1,02,462 people were included last month in the list of excluded persons, taking the total ineligible persons to 41,10,169 in the complete draft of the document, a list of the Assam's residents.

PM Modi has given maximum time to NE as compared to any other part of the country based on population ratio, Shah added

### 'BODO, KOCH RAJBONGSHI PEOPLE LEFT OUT'

## ABVP Seeks 100% Recheck of Names in NRC Draft



ABVP activists stage a dharna demanding an error-free NRC list in Guwahati on Monday. PTI

Bikash Singh @timesgroup.com

Guwahati: The student wing of the BJP, Akhil Bharatiya Vidyarthi Parishad (ABVP), has demanded complete re-verification of names in the draft National Register of Citizens (NRC). "We want clean NRC. The people of Assam have waited for 35 years for NRC to happen, we are prepared to wait further. However, there must be 100% re-verification of the names from the draft NRC," Rakesh Das, state general secretary of ABVP, told ET.

The student body organised a protest in Guwahati on Monday against the ongoing update of the NRC, with several participants marching up to NRC coordinator's office in the city.

"There are instances where the people from Bodo and Koch Rajbongshi community could not make it to the draft NRC. However, the draft has contained names of illegal immigrants," Das added.

The Supreme Court had earlier rejected the plea of the Assam government and the Centre to conduct 20% sample re-verification of the draft NRC in the districts bordering Bangladesh. The NRC was published on July 30 last year. On July 23, the apex court bench headed by Chief Justice Ranjan Gogoi said, according to the coordinator on this issue, re-verification to the extent of 27%

### 'NORTHEAST A PRIORITY FOR GOVT'

## Grant to NE Rose Over 250% Under Modi: Shah

Our Political Bureau

New Delhi: Home minister Amit Shah on Monday said that several development projects have been executed in the Northeastern states during the past five years of Modi government.

Shah was speaking after laying the foundation stone of Karbi and Dimas Bhawan at Dwaraka, in New Delhi. The Karbi Bhawan project is a part of settlement between United People's Democratic Solidarity (UPDS) of Karbi hills in Assam, the state government and the centre. The former Congress government had signed the agreement in 2011 for the construction of these two buildings in the national capital. Now the foundation stone has been laid by the BJP government.

Shah said that the people of Karbi Anglong and Dima Hasao will be benefited from the two Bhawans. "The total project cost is ₹130 crore.

Talking about Modi government's focus on NE states, Shah compared the total allocation by the earlier UPA Government and the NDA government in the last five years. "During the 13th finance commission, the Congress government had given Rs 87,000 crores for the NE states. During 14th finance commission, Modi government has given Rs 3,13,375 crores which is 258 per cent higher than what Congress government gave earlier," he said.

Shah added that North East is priori-

### Fund Allocation

**₹87,000 crore granted for NE states in 13th finance commission**

**₹3,13,375 crore granted in 14th finance commission**



Modi government's grant is 258% higher than what Congress government gave earlier, Shah said

PM Modi has given maximum time to NE as compared to any other part of the country based on population ratio, Shah added

Council (NEC) meeting. "Not only that the PM has developed a system so that in every 15 days a union minister visits one of the NE states and reviews the development work being done in the state," added Shah.

According to Shah, PM Modi has given maximum time to NE as compared to any other part of the country based on population ratio.

The home minister stressed upon the need of peaceful and terror free North East while preserving its cultural identity.

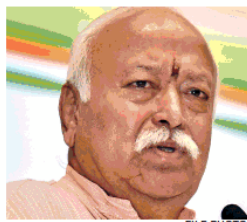
## RSS Chief's Reservation Remarks Trigger Protest from Opposition

PLAYING SAFE RSS says it supports reservation, it's a needless controversy

Kumar.Anshuman @timesgroup.com

New Delhi: Opposition parties on Monday took exception to Rashtriya Swayamsevak Sangh (RSS) chief Mohan Bhagwat's statement that there should be a conversation in harmonious atmosphere between those who are in favour of reservation and those against it, saying it was an attempt to create conflict in society.

"This has become a habit with the BJP and its ideological masters — the RSS — to keep raking up issues and creating conflict in the society about issues on which opinions are sharply divided, issues that can divert the attention of the voter of the people from the day-to-day problems that they are facing under this government," Congress leader



FILE PHOTO

der Pawan Khara said. Bhagwat had made the comments on Sunday while speaking at the concluding session of Gyan Utsav, a program organised by the RSS on competitive examinations.

"RSS is creating a dangerous suspicion by saying that there should be open discussion on reservation for SC/ST/OBC," BSP leader May-

### 'UNFAIR, UNJUST'

Reservation is a constitutional arrangement and any tempering with that is unfair and unjust, Mayawati tweeted

awati wrote on Twitter: "Reservation is a constitutional arrangement and any tempering with that is unfair and unjust. RSS should better denounce its anti-reservation mindset."

RJD MP Manoj Jha called it an attempt by the RSS to move towards denying social justice to a large section of people.

### THE DEMAND

'We want clean NRC. The people of Assam have waited for 35 years, we are prepared to wait further'

has already been done while considering/adjudicating claims.

The top court said the coordinator had mentioned district-wise figures for such re-verification, which has become integral to the process. "In view of the matter, we do not consider it necessary to accede to the prayers for a further sample verification as prayed for on behalf of the Union of India and the State of Assam," it said.

The final NRC will be published on August 31.

### PLOT FOR SALE

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ROUND ONE HRD has trained and assessed 200-plus academics on leadership for appointment at higher educational institutes

# First batch of 46 ready for Top Academic Roles

## Big Academic LEAP

Started in 2018, Leadership for Academicians Programme (LEAP) offers two weeks of domestic and one week of foreign training, with an objective to prepare second-tier academic heads who are likely to assume leadership roles in the future



Leadership gaps is said to be a factor keeping institutes off global rankings

In many cases, even good academics were found wanting on administrative and crisis management skills

The programme was conceptualised by HRD ministry to tackle the leadership crisis at the higher education institutes

## Poor Show at Central universities

Over last 5 years, 11 of the 40 central universities have seen inquiries, show cause notices and even sackings of vice chancellors

Recently, the HRD ministry—at Rasthapati Bhawan's prodding—asked the selection committee for VC of Garhwal University to come up with a better shortlist

## SCORE MATTERS

The high scorers on LEAP, the leadership programme, will now be considered for top position across institutes

## THE TOP PERFORMERS

LEAP started off with a batch of 269 in November 2018—46 of these have been identified for a leadership role

financial management of higher education institutes. LEAP is a government funded leadership development programme to train second tier academic lead-

dership—senior faculty such as deans, heads of department—for future governance roles.

The University Grants Commission (UGC) had asked all institutes to nominate three senior professors each for the first batch. LEAP started with a batch of 269 in November 2018—46 of them were identified as top candidates for leadership roles. The aim is to train over 200 academics annually to head institutes.

Around 15 top ranking Indian institutes including the IITs (Bombay, Kharagpur, Kanpur, Roorkee), Banaras Hindu University, Aligarh Muslim University, Jamia Millia Islamia, NIT Trichy, IISER Kolkata, Tata Institute of Social Sciences and the Universities of Hyderabad and Delhi are part of the programme. Collaborating with them are the Universities of Harvard, Cambridge, Oxford, Michigan, NTU Singapore, Monash, Penn State, Virginia, Ohio, Chicago and Pennsylvania among others.

The three-week programme comprises two weeks of training in an Indian institute and a week at a foreign one.

# Under New Law, MP Tribals Not to Repay Loans to Moneylenders

CRIMINAL CASE to be filed against unlicensed money lenders who intimidate tribals for money

Nidhi.Sharma@timesgroup.com

New Delhi: Madhya Pradesh government on Monday decided to waive all loans taken by Scheduled Tribes from unlicensed moneylenders. The state would also not pay them.

The cabinet's decision would be effective in 89 tribal-dominated blocks. After the announcement, tribals who have taken loans from unofficial sources, including traditional money lenders, would not have to repay them. "These loans would be treated as zero," P C Sharma, a senior minister in Madhya Pradesh, said after the cabinet meeting. The government has waived off the loans through an amendment to Anusuchit Jan Jaati Sahukar Vinayak 1972. The cabinet approved addition of a new section, which enabled this loan waiver. A similar amendment had last been done in the regulations in 1962.

Last week, Madhya Pradesh chief minister Kamal Nath had announced the loan waiver in his tribal-dominated home constituency of Chhindwara. On August 9, which is marked as the International Day of the World's Indigenous People, Nath had said his government is in the process of waiving off loans of ST families taken from unofficial lines of credit, including private, unlicensed moneylenders. The amendment specifies that a criminal case would be registered

against a private moneylender who intimidates a tribal to repay the loan. The punishment includes simple imprisonment of up to three years and a fine of ₹1 lakh.

Through the amendments in regulations, the state cabinet on Monday also decided that even the licensed moneylenders would no longer decide the rate of interest, which will now be fixed by the government.

The cabinet also decided that children studying in private madrasahs would also get mid-day meals.



## Jail Term Up To 3 Years

Private, unlicensed moneylenders now face imprisonment up to three years and a fine of ₹1 lakh for forced recovery of loan

Even the licensed moneylenders would no longer decide the rate of interest

Now, children studying in 5,000 private madrasahs would also get mid-day meals



New Delhi: Faced with an acute shortage of good academic leadership across several educational institutes, including IITs, NITs and central universities, the human resource development ministry is set to rely on a pool of over 200 select academics it has trained and assessed on leadership qualities with the help of top Indian and global institutes.

Senior HRD ministry officials confirmed to ET that the high scorers on the Centre's leadership for academicians' programme (LEAP) will be considered for leadership positions across institutes. Around 46 of these academics have scored high ratings so far and are likely to be among the top contenders for leadership positions, ET gathers.

Launched in November 2018, LEAP has helped create this 'pool' of academics who have been graded on leadership parameters such as crisis management, communication and organisational skills, problem solving skills and teamwork, besides administration and

# India Aims to Export Sukhoi Upgrade

Manu.Pubby @timesgroup.com

New Delhi: India, which is looking to upgrade its mainstay Su-30MKI fighter fleet to modern standards, hopes to get a toehold into the export market as well by offering the package to friendly foreign nations that operate the Russian origin aircraft.

The 'Super Sukhoi' upgrade for India's fleet of the frontline fighters—a total of 272 combat aircraft have been ordered by the air force—is in advanced levels of discussions, with modernisation plans for avionics, engines and weaponry on offer.

Officials told ET that the upgrade has the potential to unlock exports given the large fleet of Su-30s in service around the world that would al-

## Big Market

Over 600 aircraft of the Su 27/30 type have been manufactured and large operators include Vietnam, Malaysia, Indonesia and Algeria

Among the nations that India could approach with the upgrade solution is Malaysia

We are already the only ones doing overhauls for the aircraft and once we conduct the upgrade, we can offer a better solution to the outside world as well

R MADHAVAN HAL Chairman

so require upgrades in the future. "There is a market outside. We are already the only ones doing overhauls for the aircraft and once we conduct the upgrade, we can offer a better solution to the outside world as well," HAL chairman R Madhavan told ET.

Over 600 aircraft of the Su 27/30 type have been manufactured and large operators include Vietnam, Malaysia, Indonesia and Algeria. We are already the only ones doing overhauls for the aircraft and once we conduct the upgrade, we can offer a better solution to the outside world as well. Among the nations that India could approach with the upgrade solution

Malaysia, Indonesia and Algeria. China also operates the type but has already reverse engineered it as the Shenyang J11. Among the nations that India could approach with the upgrade solution

is Malaysia that is already interested in collaboration for maintenance and upkeep of its fleet of 18 Su-30 fighters. India plans to help Malaysia set up a Maintenance Repair and Overhaul unit there and train its technicians as part of bilateral cooperation pacts. Other potential partners for the program would be Vietnam which operates 46 fighters of the type.

On the Indian front, the 'Super Sukhoi' upgrade has been talked about for a while but there seems to be a sense of urgency with the IAF Hindustan Aeronautics Limited and the Russian government have been working on the upgrade program. Air Chief Marshal BS Dhanoa confirmed last month that technical proposals are being shared given that the aircraft have been in service for almost 20 years.

## UP TO 10-TIMES DIFFERENCE IN PENSION PAYOUT

# Army to Bridge Disability Pension Gap Between Officers and Jawans

Shaurya.Gurung1 @timesgroup.com

New Delhi: The Army is looking to reduce the "immense" disparity between the disability pensions given to officers and jawans.

Army chief General Bipin Rawat on Monday told a seminar for officers retiring by the end of this month that he has worked out a proposal in this regard and it would soon be sent to the defence ministry for examination, officials told ET. "These proposals are aimed at structuring the disability pension so that there is no disproportionate disparity between officers and jawans suffering from disability," an official said.

Another official said they are examining an earlier structure of disability pension wherein the difference between what was given to of-

ficers and to jawans suffering from the same level of disability was very little. "Until 1971, one's disability pension, whether an officer or a jawan, was in the same block," the official said. "Even before the Fifth Pay Commission, the disability pension was according to the same block. There was only a difference of ₹1,000 to ₹2,000."

However, after the Fifth Pay Commission, the disability pension given became a certain percentage of the last pay drawn, the official said. "Due to this, there was a 10-times difference in the disability pension given to a jawan who suffered 100% disability and an officer who has the same level of disability."

## UNIFORM RULE All CAPF Personnel to Retire at 60 Now

Our Political Bureau

New Delhi: The Ministry of Home Affairs (MHA) has fixed the retirement age for all Central Armed Police Force (CAPF) personnel at 60 years, an order issued on Monday said.

All personnel in the Central Industrial Security Force and the Assam Rifles retire at 60. However, in the other four forces—Central Reserve Police Force (CRPF), Border Security Force (BSF), Indo-Tibetan Border Police (ITBP) and Sashastra Seema Bal—those from the ranks of constable to commandant retire at 57 while those above them retire at 60.

The home ministry directive comes in the wake of a January order of the Delhi High Court where it had called the policy of different age of superannuation as "discriminatory and unconstitutional", and said it created two classes in the uniformed forces.

The Monday order also directed all the forces to "comply with the court order and amend provisions of rules."

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I, Mohma Nadeem S/O, Mohammed Tahir R/O C-96/A, JI Camp, Puri, New Delhi-110045, have changed my name to Mohammed Nadeem for all purposes

I, Eshpal Makhlani Father of Aaraveer Makhlani R/O 1175, Sector-17, Faridabad have changed the name of my minor son to Aaraveer Makhlani.

I, Shilpa Makhlani W/o Mr. Eshpal Makhlani R/O H.No. 1145, Sector-16, Faridabad have informed that the names are same & one person.

I, Arman Chaudhary, S/O Dhare Singh Chaudhary, R/O A-12, Freedom Fighter Enclave, Hauz Khas, Delhi-110068, have changed my name to Arman Chaudhary for all future purposes.

I, Jasbir Kaur or Jasbeer Kaur (DOB 28/06/1977), W/o Gurpal Singh, R/O 1/220, Roop Nagar, Delhi-110007 declare that both the names are mine. (Affidavit: 03/06/2019)

I, Ritvi Rani W/o Hemant Kumar R/O H.No. 1145, Sector-16, Faridabad have informed that the names are same & one person.

I, Vikas Kumar Agarwal S/O Surender Agarwal R/O Tower No. 1, Flat No. 01092, A T Advantage, Ahinsa Khand, Indrapuram, Ghaziabad, Uttar Pradesh 201010 have changed my name to Vikas Agarwal for all purposes.

I, Asha Kumari D/o Vijay Kumar R/O H.No-1/262, Phase 5, Aya Nagar, South Delhi, Delhi-110047, aged 27 years, have changed my name to Asha Yadav.

I, Rachna Yadav W/o Hemant Kumar R/O 205, Pandwala Khurd, Najafgarh, Delhi-110045, have changed my name to Rachana Yadav for all purpose

I, Ishpal Singh Makhlani S/O Sh. Gulbir Singh Makhlani R/O 1175, Sector-17, Faridabad have changed my name to Eshpal Makhlani for all purposes.

I, Kamal Kishore Jha S/O Shubmeswar Jha R/O 264, Gali No.5, New Indra Complex, Old Faridabad informed that Kamal Kishore Jha & Kamal Kishore Jha, both name are same & one person.

I, Sobha Rawat W/O, Mr. Yashpal Singh Rawat R/O 1-1/49, Budh Vihar Phase-1, Delhi 110068 have changed my name to Kusum Lata Rawat for all purposes.

I, Virender Singh S/O Late Chandar Singh R/O A-16, SE, Ashoka Enclave-II, Sec-37, Faridabad have changed my name to Virender Singh Bora

I, Aishwarya Mehta S/O Gulshan Kumar Mehta R/O 887/4 Shirohi Appr Ward No 8 Mehrauli ND-30 have changed my name to Hittendra Mehta for all purposes.

I, Shrimati Laxmi Kumari W/o Yogendra Narayan Mishra R/O A-190, Shyam Vihar Phase-1, Dindarpur, Najafgarh, New Delhi 110045 have changed my name from Shrimati Laxmi Kumari to Laxmi Mishra for all future purposes.

I, Brij Mohan Prasad S/O Shrikishan Paswan R/O C-7/128, Sultanpuri, New Delhi-110068 inform to all that Brij Mohan & Brij Mohan Prasad both are one & same person.

I, Ritu Rani W/o Hemant Kumar R/O H.No. 1145, Sector-16, Faridabad have informed that the names are same & one person.

I, Guptheshwar Rai R/O C-101 B rajhansi park, Nangol, Delhi-41 have changed my son's name from Lovkesh Kumar to Surjeet Kumar and his certificate no. 15-02-2019 which is wrongly written as 19.12.2000 (in my service records)

I, Ravinder Kaur, W/o Davinder Singh Dhody, R/O House No. 35, DDA Flats, Sec-17, Pkt-A, Dwarika, ND-75, have changed my name to Ravinder Kaur Dhody for all future purposes.

I, Surinder Kaur W/o Varyam Singh R/O B-2/255, Sector-17, Rohini, Delhi, have error in the spelling of my name and my husband name in our child birth certificate. The correct name of me and husband be taken as Surinder Kaur and Varyam Singh respectively for all purposes.

I, Laxmi, W/o Madan Mohan R/O E-31, E-Type I, A.R.I. Pusa Camp, ND-15, have changed my name to Rastmi after marriage for all purposes.

I, Mayank Agarwal S/O Late Shri Arun Kumar Agarwal R/O 21-B, AG-1, Vikas Puri, New Delhi 110018 state that my grand father K.S. Agarwal and Kishan Swaroop Agarwal was one and same person.

I, Kallash Chand Pant S/O Tara Dutt Pant R/O F F-8290-E Flat, Pkt-A, Sec-7, Dwarka, ND-75, have changed my name to Kallash Chand Pant for all purposes.

I, Satya Pal Yadav S/O Hawa Singh Yadav R/O WZ-1634A, S.F. RHE Nangal Raya, Delhi-46 affirms that my & my father's names are correct. My name is Satya Pal Yadav & Hawa Singh Yadav for all purposes.

I, Vineet Gupta S/O Tulsi Ram R/O J-6, Nightingale Apartments D-Block, Vikaspuri, Delhi-18 have changed my minor son name from Vineet Gupta to Rudra Gupta for all future purposes.

I, Babli Rani W/o Sh. Dinesh Kumar R/O 1174, H.B.C. Sec-29, Faridabad have changed my name from Babli Rani to Babli for all purpose.

I, Harwinder Singh S/O S. Sawinder Singh R/O B-1 Maya Vihar, Nangal Raya, South West Delhi, New Delhi-110048 have changed my name to Harwinder Singh Sandhu for all purposes.

I, Yallappa R/O thqmd Army TPT Unit, Delhi Cantt, ND-10, confirm that my wife Sunanda's DOB has been wrongly written as 14.02.1988, but actual correct DOB is 05.06.1987

I, Pritpal Singh S/O Harcharan Singh R/O WZ-16/1 Mukherjee park Tikaz Nagar New Delhi 18 have changed my name to Pritpal Singh for all purposes

I, Ramesh Kumar Mathur R/O 125 Swastik Kunj Sector-13 Rohini have changed my minor son's name from Hemant Mathur to Hunny Mathur for all purposes.

I, Anuja Mishra, W/o Sh. Rishikesh Tripathi, R/O House No. 200-C, Pkt-1, Jhankar Kirti, Quatub Vihar, ND-71, have changed my name to Anuja Tripathi for future purposes.

I, Vijay Kumar Bookel S/O, Balwant Singh R/O 640/23, Khandsa Road, Laxmi Garden, Gurgaon, Haryana-22001 have changed my name to Vijay Kumar for all purposes.

I, Gurjeet Kaur Dheer W/o Harhomon Singh, R/O, RZ/ Q-34, Bhagat Enclave, Uttam Nagar New Delhi-59 have changed my Name from Gurjeet Kaur Dheer to Gurjeet Kaur for all future purposes.

I, Ranbir Singh Dager S/O Late Dhan Singh Dager R/O Village Badha, Tehsil & Distt. Patiala (Faridabad) have changed my name to Ranbir Singh Dager and affidavit no. 49AA 402008 dt. 08.08.2019.

I, (Sarla Rani) S/O (Bishan Das Arora) born on (24.10.1942) residing at (331 2ND Floor, DR Mukherjee Nagar, Delhi-110069), have changed my name to (Sarla Rani Munjal) vide affidavit dated (19.08.2019) at (Delhi).

I, Yash Vinayanshi have lost my Original Marksheet & Migration Certificate of SSE year 2019 Roll no. 9123233 CBSE. If Found Contact: 9667783659.

IT is notified for the information that I, Mittal Marar S/O E. Muresedharan R/O 350, DDA Janta Flat, Puri Paldipur, Delhi -110044 Have lost my original Marksheet & certificate of class 10th year 2012 & Roll no 8200537 Pfinder please contact Ph: 9868111151

I, Monu D/o Ashok Kumar Mishra R/O S-538B, School Block, Shakarpur, Del-92 have changed my name to Jayanti Mishra for all purposes.

IT is notified for the information that my original qualifying examination certificate for main secondary examination of year 2017 and Roll no. 8728935 issued by CBSE has been actually lost. Name of the candidate MANISHA SEJWAL, Address: F-50, Lado Sarai, New Delhi-110039 Near PNB Bank, Mob: 9971741459

ORIGINAL Possession Letter regarding Property No. A-70303, Third Floor, Ebony Greens, Crescent Park, Village Shahpur Bamheta, Ghaziabad, UP in the name of Jaideep Singh Kohli has been lost. Finder may inform at above address.

I, Aamir S/O Yaseen R/O 1/52 5/48, Khera CT road, Shandara Delhi-95 declares that my father's name is wrongly mentioned as Yameen in my school records whereas correct name is Yaseen for all purposes.

I, 14624870K Hav Hawa Singh Prajapat S/O Late Chandar Ram, R/O VPO Jaguwas, Teh Bahror, Dist Alwar, Rajasthan 301701 affirm that in my service record my daughter's name has been wrongly written as Bindu Kumari Junwal but her correct name is Bindu Verma for all purposes.

I, Hitesh Kumar S/O Army No-14624870K Hav Hawa Singh Prajapat, VPO- Jaguwas, Teh-Bahror, Dist-Alwar, Rajasthan-301701 have changed my name from Hitesh Kumar Junwal to Hitesh Kumar for all future purposes.

WE, Shobha Goyle, D/o Late H.D Goyle, Deshpande W/o Late H.D Goyle, Deshpande Goyle S/O Late H.D Goyle and Late H.D Goyle S/O Late Din Deval R/O 127 Charak Sadan Vikaspuri, New Delhi-18 the registered holder(s) of the under mentioned shares held in Axis Bank Ltd hereby give notice that the certificate(s) in respect of the said shares have been lost and I have applied to the company for issue of duplicate certificate(s). Any person having claim in respect of the Company at its below referred address within 15 days from the date, else the Company will proceed to issue duplicate certificates and no further claim will be entertained by the Company thereafter.

Folio No: UT1043560 Name of the Company: Axis Bank Ltd Address: Axis Bank Ltd, Dyeing Mills Compound, Pandurung Budhkar Marg, Worli, Mumbai 400025

IT is notified for the information that my Original Qualifying Examination Certificate of Main Secondary Examination of year-2010 and Roll No. 6150976 issued by CBSE has been actually lost. Name : Rahul Saini R/O WZ-577, Nangal Raya, New Delhi-110046. \* 9971579935

IT is notified for the information that my Original Qualifying Examination Certificate of Main Secondary Examination of year-2010 and Roll No. 6150976 issued by CBSE has been actually lost. Name : Rahul Saini R/O WZ-577, Nangal Raya, New Delhi-110046. \* 9971579935

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RIL Refuelled

The RIL-Saudi Aramco deal will help cap RIL's downside and allow the company to step on the gas on retail and telecom.

A Chinese Drug for Indian Pharma

China has announced a raft of reforms for procurement of generic drugs to cut its healthcare bill for a 1.4 billion population. This is holding out renewed hope for Indian pharma, which lost its hold on raw materials to the Chinese in the last two decades.

Chips for All?

Chip maker Nvidia is betting that artificial intelligence's language skills will advance rapidly and is releasing a powerful tool to put together chatty programs. But this could also be used to create slicker fake news.

Tata Starbucks Reports its First-ever Profit in India

Sagar.Malviya @timesgroup.com

Mumbai: Tata Starbucks, a joint venture between the Tata Group and the world's biggest coffee retailer Starbucks, has posted its first profit since starting operations in the country nearly six years ago.

For fiscal 2018-19, the JV recorded a net profit of ₹29 crore, data from research platform Tofler showed. In the previous year it had a net loss of ₹30 crore. The FY19 profit, however, included an exceptional item of deferred tax of ₹75 crore, which helped the company's bottomline.

At an operational level, the company's loss before tax has widened by 50% to ₹46 crore.

The Indian unit of Starbucks expanded sales by 30% in FY19 to ₹447 crore, paced by the addition of new outlets as demand for quality beverages increased in Indian metro cities. Sales growth, however, slowed to 23% in the quarter ended June. "Tata Global Beverages believes it now has a set template for expansion in this segment and will be able to continue with the momentum. Focus on driving foods part of the offering continues to remain strong," said a recent investors' note by Kotak Institutional Equities Research.

Last fiscal, Tata Starbucks added about 30 stores, taking the store count to 157. Starbucks, which started its India operations in October 2012, recorded the fastest store expansion in the company's 48-year history in the initial few years in the country. But rival Cafe Coffee Day is still the market leader in the cafe segment with 1,750 cafes. In the quick service restaurant space, Burger King outsold Starbucks in FY18 after entering the country four years ago.

Until last fiscal, each Starbucks outlet was generating revenue of about ₹3 crore on an average, lower than Westlife Development, which runs McDonald's in southern and western India and clocked ₹4.6 crore from each outlet.

Pitch Report

Ikea Opens Online Store in Mumbai

Swedish home furnishings company 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 multichannel offer including smaller format stores, and a big format store in Navi Mumbai, it said. - PTI

Correction

The August 19 story on Tata Motors telling vendors to expect a double-digit drop in sales should have attributed this to senior company executives and not managing director Guenter Butschek. The error is regretted.

Consumption story here is more positive than elsewhere, feels Nestle



Major hotels have seen a dip in Q1 revenue as many deferred their travel plans



Production cuts offer a breather for car dealers amid sluggish demand



# This Summer wasn't Quite the Jet-Set-Go Season

General slowdown, higher air fares after Jet's grounding, and a decline in domestic business travel are hurting hotels and travel operators

Anumeha.Chaturvedi @timesgroup.com

New Delhi: The summer months of April, May and June, which traditionally witness brisk business in tourism, turned lukewarm this year for service providers and hospitality majors as the industry sees a slump in air traffic since the grounding of Jet Airways and a slowdown in business activities.

Among the domestic hospitality chains, Indian Hotels Company (IHCL) reported ₹571 crore revenue from operations for the quarter ended June, as against ₹564 crore a year ago, posting a 1% rise in its standalone results.

The Oberoi Group saw a 14% fall in revenue from operations to ₹289.63 crore during the quarter under review

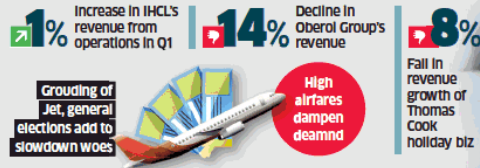
from ₹334.96 crore in the previous corresponding period on a standalone basis. On a consolidated basis, its revenue plunged 12% to ₹340.58 crore as against ₹388.34 crore a year back.

The company attributed the revenue loss in the June quarter to a general slowdown in business activity, declining air travel and a reduction in airline catering business.

ITC Hotels CEO Dipak Haksar said Q1 saw softening of demand in the MICE (meetings, incentives, conferences and exhibitions) business primarily because of the elections in April-May and no major shift in trend in July. August has started "well" and ITC is looking at rest of the year with "cautious optimism".

"There is certainly a slowdown in business and leisure travel in the last two-three months. And this is witnessed across all hotel seg-

## Not in a Holiday Mood



ments. We are all anxious to see how the winter months pan out in terms of inbound demand," said Jaideep Dang, managing director of JLL Hotels and Hospitality Group.

Travel services provider Thomas Cook reported an 8% fall in revenue growth in its holiday businesses for

the quarter. It said the June quarter presented challenging market conditions in the form of a significant increase in domestic and outbound airfares for pre-booked customers post the closure of Jet and the negative revenue impact for inbound and outbound travel to Sri Lanka.

"There is a bloodbath and results and numbers are bad across companies. Everybody is underplaying the extent of this slowdown. Because of Jet Airways, the air prices went through the roof and there was very muted demand in April which continued in May and June and, stayed

on," said an executive at a travel service provider, refusing to be quoted. "Corporate results are troubling... While some companies are reporting a marginal growth in topline, the bottomline is impacted because they have to cut margins big time to sell. People are holding their holiday plans, waiting for the economic situation to improve," the executive said.

Jean-Michel Cassé, COO for India and South Asia at AccorHotels which has brands like Ibis, Pullman and Novotel in India, blamed the elections and the closure of Jet Airways for the woes. "There were limited activities and events. Government employees, too, travelled less, resulting in a decline in MICE activities. Due to multiple dry days, food and beverage departments also faced a challenge," he said.

## Dealers Catch a Break as Car Cos Cut Production

But high inventories weigh on CV, bike dealers

Our Bureau

Mumbai: Production correction and reduced wholesale dispatches by passenger vehicle manufacturers brought some respite to dealers, hit hard by an ongoing sales slowdown, as inventory stockpiles with them reduced to less than even the pre-slowdown levels. However, inventories with two-wheelers and commercial vehicles dealers continued to be twice the industry norm.

The stock with passenger vehicles (PV) dealers averaged between 25 and 30 days' equivalent at the end of July as per data from the Federation of Automobile Dealers Associations (FADA), an industry body. Inventory level of 30 days is the norm across categories. Inventory with two-wheeler dealers, however, continued to average between 60 and 65 days, and that with commercial vehicles (CV) dealers too remained unchanged over the preceding month at an average of 55 to 60 days.

The unsustainable cost of holding high inventory had led to as many as 300 dealerships going out of business in the 18 months leading up to April 2019, ET had reported earlier. Overall vehicle registration numbers in July declined 6% over the same period last year, as per representative data gathered from 1,180 out of 1,452 RTOs in the country. Registration data is directly linked to retail sales of vehicles.

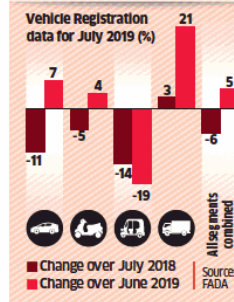
Incidentally, overall vehicle wholesale in July declined 18.7% to 1.63 million units, which was one of the sharpest drops in two decades. Vehicle registration numbers in July, however, improved 5% over June since the latter had recorded one of the worst retail experiences in 2019 so far. "With June being a completely dry and rain deficient month, consumer sentiment was at its lowest, and with July rains covering up a lot of the deficit, some confidence in consumer demand led to pending purchase conclusion in July," explained Ashish Kale, president of FADA. "Despite these factors, CV sa-

### Sigh of Relief

Average inventory levels with dealers (days equivalent)

	May	June	July
Passenger vehicles	35-40	30-35	25-30
Two-wheelers	55-60	60-65	60-65
Commercial vehicles	45-50	55-60	55-60

30 days of inventory is the industry norm



les continued to be in the negative even MoM (month-on-month)."

CVs were the only segment to show a decline in registration numbers in July over June at (19%) as goods movement in the country continued to remain low due to falling freight demand from consumer and infrastructure segments. Registration numbers of passenger vehicles and two-wheelers improved by 7% and 4% in July over June, respectively, even though they witnessed year-on-year declines of 11% and 5%.

However, experts reserved their judgement on whether the market has bottomed out in June. Floods in some of the crucial markets, including Kerala and Maharashtra, confusion among consumers regarding the future of EVs and the upcoming BS-VI emission norms and an overall economic slowdown are some of the reasons that led to their worries.

## FMCG Sector to Keep Growing, but at a Slower Pace: Nestle India Chief

Our Bureau

Chennai: Nestle India expects the fast-moving consumer goods market to continue growing this year because the "consumption story in India" is more positive than elsewhere, but not as fast as expected before as the economy is facing a slowdown, its chairman said.

"Unlike some other sectors such as auto, we don't see the FMCG sector going into the negative territory. It will still grow, may be not in double digits but in high single digits," Suresh Narayanan said on Monday.

Narayanan said while the FMCG sector was growing at 16-17% in the third quarter of 2018, it had slowed down to 10% now, and that growth expectations for the year would be one-to-two percentage points lower than the original targets.

"Urban growth rates are not what they were before and double-digit growth will be hard to achieve," he said. "There will be periods of slow growth but the consumption story in India is relatively more positive compared to many other countries."

Last month, market research

firm Nielsen revised its growth forecast for the FMCG sector to 9-10% in 2019 from its previous outlook of 11-12%, citing a sharp rural slowdown as well as weak demand across all food and non-food categories from salty snacks and biscuits to soaps and packaged tea.

Rural markets contribute 20-25% to the sales of the local unit of the Swiss food and drink processing conglomerate. The maker of Maggi noodles and Nescafe had delivered 10.5% volume growth in its second quarter ended June 30.

Narayanan said there were still market opportunities to tap for the company.

"Penetration levels of categories we are in are relatively lower. We still have runway for growth and we are also looking at accelerating our rural footprint," he said. "We are innovating at five times the pace than in the past and with increasing urbanisation, we are stepping up the power of innovation."

If the industry gets its operational efficiencies on track and combined with renovation and innovation, it will be able to counter the economic slowdown, Narayanan said. "We are fairly confident we will be able to bring in innovation-led volume



Urban growth rates are not what they were before... There will be periods of slow growth but the consumption story in India is relatively more positive compared to many other countries.

SURESH NARAYANAN  
Chairman, Nestle India

growth. With relevant focus on advertising and marketing in difficult times, we believe some of our brands can be strengthened."

Narayanan was speaking at the India relaunch of health drink Milo, a coco-malt beverage that is one of its biggest brands globally. "It is purely coincidental that this is happening in an environment where GSK Consumer and Unilever are merging. The tenor of our launch might have been different had we got Horlicks," he said.

GSK Consumer, which owns malt beverage Horlicks, was acquired by Unilever in December last year. While Nestle was also rumored to be in the race for the rival, it never admitted that on record.

Nestle's e-commerce business has trebled over the past two years and now contributes 1.5% to the company's overall business, Narayanan said. "While e-commerce in food retailing is not as salient as some other categories, it is still growing. We will continue to introduce products and packs specifically for e-commerce," he said.

Nestle will have to selectively increase prices if commodity prices, such as of milk and wheat, continue to rise, Narayanan said.

## MD SAYS CO OPEN TO MORE INVESTMENTS IN INDIA, WOULD LIKE FURTHER EASE OF DOING BUSINESS

# H&M's Just Eager to Get on with Business

Rasul.Ballay@timesgroup.com

New Delhi: Swedish fashion retailer Hennes & Mauritz has not faced any slowdown in India and has performed well over the quarters, H&M managing director Fredrik Olsson has said. He, however, said ease of doing business in the country could improve significantly if the authorities streamlined the dozens of licences required to open stores here.

"We are very open to invest more in India. It is about how do you build a stronger business," Olsson told ET in an interview here on Monday. "If policies or setups could be a little bit easier, more of the investments could go directly into improvements for customers and that



Fredrik Olsson, MD, H&M

will grow the business faster."

He is in the country to launch H&M products on top fashion portal Myntra.com on Tuesday.

Janne Einola, country manager at H&M India, said retailers require an average 17 licences — and that could go up in many states — to open a store. "It's a very heavy ad-

min work and very costly, and... the kinds of things also scare foreign investors. That's why I believe that it's good that the FDI rules are now discussed to ease them, but also the ease of doing business needs to be looked at," he said.

H&M suggested that many of those licences could go online to make it easier for retailers. It should be a purely online process where the criteria for getting certain licences is clearly spelt out, Einola said. The world's second largest fashion retailer entered India in 2015 and so far opened 42 stores in various cities.

H&M India sales during the second quarter ended May jumped 39% on year to about ₹380 crore, one of the strongest growth across its global markets that was helped by

new store additions and increasing push for full priced merchandise.

Over the last four years, the Swedish retailer has clocked more than ₹1,100 crore in annual sales, becoming the second largest lifestyle brand in the country after rival Zara. "Looking at India as a market, we believe there's tremendous potential. It's a large population. It's a very fashion-oriented population," Olsson said. "With a really good reception here, we feel that our business idea really works here. So we're trying to grow, we're fine as we grow and learn so that we deserve the next wave of growth."

H&M started selling online through hm.com in March last year and said India has so far outpaced its global online average of 15% of products sold online.

## Court Takes Note of SFIO Chargesheet Against 287 in Bhushan Steel Case

Rashmi.Rajput@timesgroup.com

Mumbai: A New Delhi court has taken cognisance of the chargesheet filed by the SFIO against 287 individuals and entities in the Bhushan Steel Ltd case. The next step involves framing of charges before the trial starts in what is likely to be a historical legal battle, given the voluminous chargesheet and the number of accused. The court divided the list of accused people into 11 batches for administrative convenience.

"It would be appropriate if accused persons are divided in a lot and summons are issued to them for different dates," special judge (Companies Act) Neelam Singh observed. With the chargesheet running into over 70,000 pages, the court ordered that soft copies be supplied to those accused.

"Since record is bulky, only copy of complaint be sent along with the summons. Soft copy of rest of the documents be supplied to the accused persons after their appearance in the court," according to the order accessed by ET.

The chargesheet cites fund diversion of ₹45,818 crore, wrongful loss to banks and financial institutions of ₹20,879 crore and wrongful gains by the company's ex-promoters of ₹3,500 crore. "The allegations contained therein are prima facie substantiated with

detailed investigation reports and corresponding annexures," the court observed.

The allegations are neither self-contradictory nor intrinsically untrustworthy and at the same time, are corroborated by the aforesaid evidence, Singh said in her 46-page order, taking cognisance of the alleged offences under the Indian Penal Code, Companies Act, 1956, and the Companies Act, 2013.

Further, it is found that sufficient material has been placed on record against the accused persons to face prosecution," the order said.

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## National Investment and Infrastructure Fund Limited

Mumbai/Delhi - India

NIIF is a fund manager that invests in infrastructure and related sectors in India. An institution anchored by the Government of India, NIIF is a collaborative investment platform for international and Indian investors with a mandate to invest equity capital in domestic infrastructure. NIIF benefits from its association with the Government yet is independent in its investment decisions being majority owned by institutional investors and managed professionally by a team with experience in investments and infrastructure. NIIF aims to make commercial investments in the sector at scale. NIIF manages over USD 4 billion of capital commitments across three funds, each with its distinct investment strategy. The funds have investment mandates to invest in infrastructure assets and related businesses that are likely to benefit from the long-term growth trajectory of the Indian economy.

The Fund is currently recruiting for the following positions in Mumbai/Delhi.

### CHIEF INVESTMENT OFFICER (CIO)

The CIO would oversee direct investments of NIIF funds; be a key person in investment decisions as part of the relevant Investment Committees; and provide support and guidance to the Managing Partners of the relevant funds. CIO has a unique leadership role in NIIF's investment strategy as a member of Executive Committee of the Management. Applicants should hold 25+ years of overall experience, in India and/or internationally, in Infrastructure, Private Equity, Investment Banking or operating roles. (Job Code: 001)

### MANAGING PARTNER (UNIT HEAD)/PARTNERS - STRATEGIC OPPORTUNITIES FUND

The Strategic Opportunities Fund is aimed at growth and development stage investments in projects/companies in a broad range of sectors that are likely to benefit from India's growth trajectory over the medium to long-term. The Fund will invest in large single-asset companies and businesses in sectors adjacent to infrastructure. The Fund will take control, co-control or significant minority positions through its investments.

Applicants should hold 15+ years of overall experience; a minimum 10 years of India/International Infrastructure, Private Equity, Investment Banking or operating experience. (Job Code: 002/003)

### PARTNERS - MASTER FUND

The Master Fund is a core infrastructure fund investing in operating assets in infrastructure sectors such as roads, ports, airports, power, etc. The Master Fund invests in businesses and assets with a track record, often operating in regulated environments or under concession or long-term agreements.

Applicants should hold 15+ years of overall experience; a minimum 10-12 years of India/International Infrastructure, Private Equity, Investment Banking or operating experience. (Job Code: 004)

Detailed job descriptions for the above roles are available in the careers section on www.niifindia.in

To apply, please submit a resume to: careers@niifindia.in with the subject line of the email as "Application for Job Code: xxx"

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**KUNAL SHAH**  
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Power distance & reciprocity driven cultures find it hard to say no. Cultures that find hard to say no, say yes to things without meaning it resulting in empty promises delivered only via incessant follow-ups. Empty yes and follow-up culture leads to inefficient economy

**Tech Buzz**  
**Ceramic and Titanium Apple Watch**



**San Francisco** Apple is expected to launch a host of new products next month, including the upgraded Apple Watch 5 which is expected to come in titanium and ceramic variants. Brazilian site iHelp BR spotted graphics hidden in the beta code of watchOS 6 that points to ceramic and titanium casings quite possibly for Apple Watch 5. —IANS

**Quick Byte** ANIRBAN BORA

8 million Android users duped into downloading adware apps from Google Play



The same old trick!

**23%**  
Samsung's global smartphone market share in Q2, 2019

**Google Cuts Data Link to Carriers**



**NEW YORK** Google has shut down a service it provided to wireless carriers globally that showed them weak spots in their network coverage, because of concerns that sharing data from Android users might attract the scrutiny of regulators. Even though the data were anonymous and the sharing of it has become commonplace, Google's move illustrates how concerned it has become about drawing attention amid a heightened focus on data privacy. —Reuters

**Jargon Buster**

**Betamax**  
A slang term for when a superior product loses out to an inferior product. This refers to the adoption of VHS over superior Betamax

# Software Firms Want SEZ Sops to Stay, Seek Tax Cut

**CALL FOR ACTION** Propose extension of SEZ benefits for 20 more years; cite lower tax in other nations

**Surabhi Agarwal**  
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**New Delhi:** India's software exporters may lose their competitive edge on falling incentives and rising tax rates, industry executives said, and urged the government to extend the policy benefits of Special Economic Zones (SEZ) beyond April 2020, reduce corporate taxes for large companies and review the buyback tax introduced in the Budget. The top 150 companies contribute nearly 70% of India's software industry revenue, according to industry lobby National Association of Software and Services Companies (Nasscom). These companies, with turnover of more than ₹400 crore a year, pay much more than the flat corporate tax rate of 25%, it said. "The government needs to look at (the issue) and extend the SEZ benefits for another 20 years, otherwise the taxation is just too high and it is not sustainable," Prateek Aggarwal, chief financial officer of the country's third largest software services firm HCL Technologies, told ET. Other countries levy low taxes, specifically for the technology sector, and India will "lose out", he added. "The government needs to give a clear roadmap for both the corporate tax rate reduction as well as the SEZ policy extension since the industry needs clarity for their future investments,"

Ashish Aggarwal, head, public advocacy at Nasscom told ET. Under the policy, companies get full income tax benefit on income from exports for SEZ units in the first five years, 50% for the next five years and 50% of the ploughed back export profit for the next five. The benefits are set to end in March next year. The industry also wants Indian taxation policy to be globally competitive, he added. India's software exports industry grew on the back of tax incentives that helped companies invest and build their business to create a \$180 billion industry, according to data from Nasscom. India and China are the only emerging economies in the top 10 services exporting nations and the country's share of

services exports in its total exports basket is significantly more than China's, according to Nasscom. India needs to keep supporting its industry since China offers tax incentives of 15% to companies in its specified zones, it said. Similarly, South Africa offers a 15% tax rate while Indonesia, Mexico and South Korea offer reduction in tax rates of up to 100% to companies in special zones.

The effective tax rate for a company in the 30% tax bracket is 34.94%, including surcharge and health and education cess. If it gives a dividend to shareholders out of its profits, the effective tax would be 20.6%, though the rate is 15%, said Nasscom. With the addition of dividend distribution tax and buyback tax, the tax liability could be anywhere between 45% and 50%, Aggarwal said. V Balakrishnan, former CFO of Infosys, said that companies were prepared for the SEZ policy's sunset clause and investors understand that

the tax rates would increase. "The issue is, with margins coming down, the buyback tax is a concern. The IT industry is maturing and for the industry, the most efficient way to improve its EPS and reduce share count was the share buyback," he added. Other industry players also argue for continuation of benefits. "It is essential for the government to continue with the SEZ benefits. The growth of the IT industry has been possible due to the incentives. Lots of countries give incentives for employment generation including China, Malaysia and a few US states. We should continue with the SEZ benefits," said Srikanth Reddy, CEO and MD of Sonata Software, a Bengaluru-based mid-size IT services firm. The IT industry equals 6.6% of the country's GDP, directly employs over 4.1 million people and earns in excess of \$130 billion in foreign exchange with \$180 billion in overall revenue. It will play a crucial role while realising the government's dream of a \$5 trillion economy. "The government needs to support IT-BPM industry's success," Aggarwal of Nasscom said.



## Case File

70% of Indian software industry revenue is contributed by top 150 firms

These firms pay more than the flat corporate tax rate of 25%

South Africa offers a 15% tax rate

EXPERTS SAY that India will 'lose out' to other countries

Indonesia, Mexico and South Korea offer reduction in income tax rate up to 100% to firms in special zones

China offers an incentive tax rate of 15% to companies in specified zones

# P2P Lenders Mail an SoS to RBI

Want extension of lender limit to ₹1 cr for retail investors, allowing HNIs to lend via P2P platforms

**Pratik Bhakta**  
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**Bengaluru:** Peer-to-peer lending startups, through their industry association, have written to the Reserve Bank of India seeking relaxation of stringent norms for the fledgling sector. The body said that survival would be a challenge unless lending rules are eased. The association counts 16 peer-to-peer lending platforms, which are licensed by the RBI, as members. "In the last 18 months since the guidelines were announced, the biggest challenge being faced by the nascent industry is the lender limit of ₹10 lakh. This single issue... is threatening the very existence of the industry," wrote Rajiv M Ranjan, secretary, Association of NBFC Peer to Peer Lending Platforms, in the letter. ET has seen a copy of the letter. The body has suggested immediate extension of the limit to ₹1 crore for retail investors, which would allow high net-worth individuals to lend money through these platforms. Further, it has also suggested removal of the cap altogether for regulated institutions like banks and non-banking finance companies

(NBFCs) extending loans through these platforms. Although this has been a long-standing industry demand, the regulator has not yet indicated it would relax the rules. This has hampered scale-up by these companies, and in turn made investors shy away from the sector, say industry executives. RBI did not reply to ET queries till the time of going to press. Apart from a couple of players like Faircent, Liquiloans and a few others, most of the startups have not been able to attract big cheques from major venture capital investors who have otherwise pumped in cash into other fintech startups. "Today, VCs are wary of investing in the P2P platforms in India, pri-

marily because of the ₹10 lakh limit per lender," the association said in the letter. "In contrast, other similar platforms which are originating loans and getting these funded through NBFCs and banks are operating without any other regulatory oversight and have no such obligations." As per industry estimates, more than 1,00,000 borrowers and 2,00,000 lenders have used these

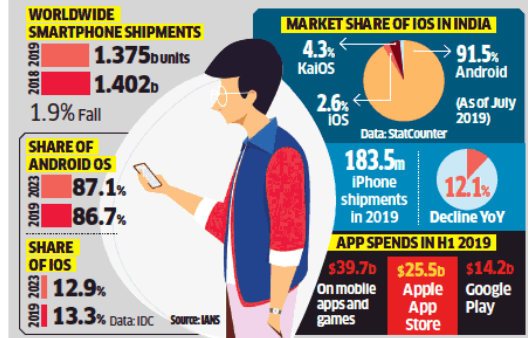
platforms and the overall exposure of the industry could be ₹350 crore. Further, companies are losing on an average ₹1,000 per loan for borrowers who avail at least ₹3 lakh through the platform, given that the cost of acquiring retail lenders is around ₹4,000, the association said. If the limitations are removed, the cost of getting lenders could be reduced and the business could be made viable, it said. Experts, however, said there was a reason why the limits have been put in place. "The restrictions are essential for keeping a close tab on the participants' exposure to this space; also it will ensure unchecked business practices from emerging in this space," said Rishabh Mastaram, founder, RGM Legal, who specialises in the crowdsourcing business. Further, a blow-up in the P2P sector in China has caused the RBI to become more careful with these companies. "With the industry being under regulatory control, we do not see any instances of a repeat of China happening in India. There has been quarterly reporting done to the RBI from all the regulated entities," Ranjan of the industry association told ET.



**ADDING IT UP**  
As per estimates, there are more than 1 lakh borrowers and 2 lakh lenders who have used these platforms

## Android vs iOS, in Nos that Matter

If you just look at the number of people using Android phones, it would appear that Apple's iOS has only a few takers. But the amount of money people spend on Apple's App Store paints a different picture



## Accel Leads \$8m Round in Goal-setting Startup Ally

**Aditi Shrivastava**  
@timesgroup.com

**Bengaluru:** Ally, a goal-setting and execution management software startup, has raised \$8 million, led by Accel, with participation from Founders Co-op, Vulcan Capital, and Lee Fixel. Ally's product is based on the Objectives and Key Results (OKR) framework. The company addresses the challenges that businesses face in adopting OKRs by offering an intuitive interface with embedded OKR, best practices and templates.

Ally's solution drives OKR adoption by inserting goals into the daily work-stream through seamless integrations with Slack, Jira, Salesforce, Asana, and Smartsheet and counts Remitly, Slack, T-Mobile, UrbanClap, WellStar Health System, and Army as clients. "We're nearly doubling revenue every quarter and will continue to innovate and enable every business to operate better and deliver stronger results," said Vetril Vellore, CEO. The company plans to use the fresh capital to build its team in India and Seattle, as well as accelerate sales.

# As Digital Takes Root, Mid-tier IT Cos Get Staff Upskilled

Firms invest heavily in reskilling staff in digital skills as customers shift technology budgets away from traditional services to digital

**Priyanka Sangani & Anandi Chandrasekhar**

**Pune | Mumbai:** Mid-tier IT services companies are training employees in digital technology skills, as they see increased business from clients intent on going digital to transform their business. Indian IT firms have invested heavily in reskilling employees in digital skills as customers shift technology budgets away from traditional services towards digital services, which include using the cloud to host apps, analytics to look at internal and external data, cybersecurity and building apps for smartphones. Pune-based Zensar Technologies, which derives almost half of its revenue from digital services, says it has been working on turning itself into a digital enterprise over

the past two years, but has more to do. Zensar CEO Sandeep Kishore said the company had an internal deadline where all employees had to undergo at least a certain level of reskilling within a given time frame. "All employees have finished the third level of courses and over half have done the fourth level," he said. The final stage involves selecting one of three areas of expertise as part of the company's new focus areas—research, design and experience—and all employees are expected to get themselves certified, irrespective of roles. Bengaluru-based Mindtree, on the other hand, uses a credit-based system to keep track of its employees' progress. They were initially mandated to complete 35 hours of learning in a year before launching the digital learning platform Yorbit, where it moved to a credit-based system.

"When we moved to the credit system, we noticed that the learning hours per employee doubled from the 35 hours mandate we had earlier. This can also be attributed to the fact that Yorbite allows employees to learn anywhere, anytime," said Anish Philip, VP, People Function, Mind-

tree. Mid-tier IT firms in India hire over 1,00,000 people. In the past few years, these companies have seen digital revenues' contribution to the total go up steadily.

Even as companies look to hire people with the required tech skills, the bigger thrust is on up-skilling existing workforce. Most companies have linked the training programmes to an individual employee's career path, suggesting what's relevant for the person based on experience and focus areas. Pune-based Persistent Systems has a dedicated 'growth and solutions' unit that focuses on market development and uses this to identify mid- to long-term technology trends, which are then used by Persistent University to create the necessary learning programmes, said chief people officer Sameer Bendre. "The timelines are shrinking on all fronts. We have

a multi-pronged approach to address this challenge. We design certain time-bound reskilling/upskilling programmes that are targeted towards immediate needs," he said. "These are high-intensity, high-impact boot camps covering a small number of individuals. We also take a mid-term view, which allows a large number of employees to acquire these skills at their pace." NIIT Technologies, another of the prominent mid-tier IT firms, has partnered with SKILLSsoft to create a new learning platform, Percipio, which has over 26,000 learning assets across functions, including technology, sales, management and leadership. The company has focused on data services, cloud/API, cognitive technologies and automation to capitalise on opportunities arising from disruptions in the sector.

**IT firms have invested heavily in RESKILLING STAFF IN DIGITAL SKILLS**

Mid-tier IT firms in India hire over 1,00,000 people

Bigger thrust is on upskilling existing workforce

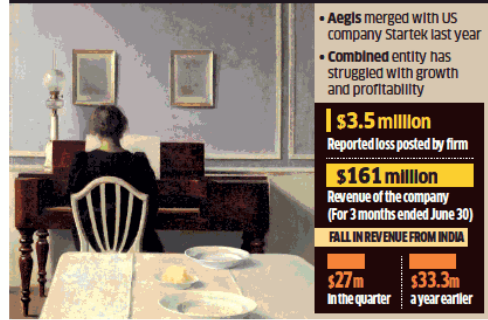
**KEY SERVICES**

- Analytics to look at internal & external data
- Cybersecurity
- Building apps for smartphones
- Using cloud to host apps

**LIFELINE** Meanwhile, the government steps in to save its Srinagar unit from closure

# Aegis may Shut more Centres across Country

**STORY SO FAR**



WILHELM HAMMERSHÖL, Woman at Piano, Strandgade 30

**Jochelle Mendonca**  
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**Bengaluru:** Business process outsourcing company Aegis may shut down more centres across the country as it aims to scale back domestic business, even as the government stepped in to save its Srinagar unit from closure, a source with direct knowledge of the matter told ET. Last week, the government offered to pay three months' salary for 70 employees and become an anchor client at its Srinagar centre after the company said it would be shut down.

are serviced from these locations because of local languages and it is really hard to convince anyone in the domestic market pay you more," an industry source with knowledge of the matter said. Aegis is one of the largest providers of domestic call centre services in the country, with over 20,000 employees. "Consolidation, business transformation and efficiency are a key part of our global company and we continue to focus our programmes and efforts on improving the customer experience for our part-

The planned closure of its centre in Kashmir is, however, part of a larger move to cut costs and boost profitability, the source said.

**BY THE NUMBERS**  
The firm is looking at cutting more loss-making centres in tier 3 and tier 4 cities. Those centres are not profitable

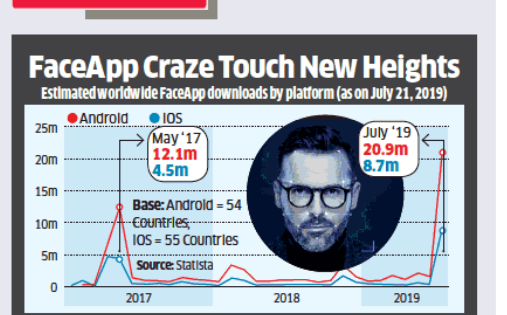
"The Srinagar centre is only one of them. The company is looking at cutting more loss-making centres in tier 3 and tier 4 cities. Those centres are not very profitable and that is becoming important," the source said. ET could not independently ascertain which centres were being earmarked for closure.

**A SOURCE**  
aware of the developments

Aegis merged with US company Startek last year and the combined company has struggled with growth and profitability. For the three months ended June 30, it reported a loss of \$3.5 million on revenue of \$161 million. Revenue from India dropped to \$27 million in the quarter from \$33.3 million a year earlier. The company has already undergone a restructuring to eliminate redundant roles and has terminated leases in the United States and the Philippines.

ners worldwide," a company spokesperson said in an email response. "We would continue to serve some of the leading BFSI clients from our presence in J&K and the before would remain committed to work along with the local authorities for J&K's inclusive growth and its highly skilled workforce." Domestic BPO companies have struggled with profitability over the past few years, as telecom clients — the lifeblood of the business — face their own revenue challenges and have asked for cost cuts, ET reported earlier.

## Globe Trotter



## Binance Venus Crypto to take on FB's Libra

**NEW YORK** Cryptocurrency exchange Binance is looking to partner with governments and companies to develop a new digital currency named Venus as it competes with 'Libra' of Facebook. Binance said it plans to create an independent 'regional version of Libra' intended to "empower countries to spur new currencies". — Bloomberg

## Uber Picks UK Boss as Licence Renewal Looms

**LONDON** Uber appointed a new boss for Britain and Ireland on Monday just over a month before its licence expires in London, one of its most important global markets where the regulator has previously stripped it of its right to operate. Melinda Roylett, former head of Europe at digital payment firm Square, replaces Tom Elvidge, who moved to WeWork. — Reuters







SMART INVESTING  
**Microfin Lender Spandana Sphoorty Makes a Weak Market Debut**

### Market Trends

STOCK INDICES		% CHANGE
Nifty 50	11053.9	0.06
Sensex	37402.49	0.14
MSCI India	822.36	0.13
MSCI EM	2235.6	0.74
MSCI BRIC	595.18	0.93
MSCI World	8881.82	0.31
SX 40	21770.93	0.00
Nikkei	20563.16	0.71
Hang Seng	26291.84	2.17
Strait Times	3128.45	0.43

Values in US \$, Gross. At 7 pm IST

OIL (\$)	BOND
DUBAI CRUDE	10-YR YIELD
57.6	6.59
0.34	0.05

Absolute Change Figures in %

GOLD RATE	US	India
OPEN	1523.0	1642.98
LAST	1504.2	1638.02

Prices per Troy Ounce (\$)

At 10.30am. After adjusting for import duty, Indian spot gold lower by \$ 16.60 to US Comex gold price on Monday. The premium on local gold is due to tight supply following import curbs.

FOREX RATE (₹-₹ Exchange Rate)	OPEN	LAST
	71.15	71.43

Market on Twitter @ETMarkets

## THE PROBABILITY OF A RECESSION SURGES TO 31%

# Widening Bond-Dividend Yield Spreads Raise Recession Worries

Bonds and stocks now yield very different returns in the world's richest countries, and the divergence may well be pointing to a likely global recession that would rout equities. A full-blown recession in the West now has a one-third probability, the likelihood rising about five times in just more than a year, even as the spread in returns on stocks and bonds widens to unsustainable levels. That would mean an imminent equities crash — unless earnings improve, increase investor appetite for risk assets, and hold down stock dividend yields.

About \$16-trillion of global bonds now yield negative returns. Barring the US and the UK, 10-year bonds in Europe's richer neighbourhoods and Japan are offering negative returns. On the surface, equities remained rather healthy, particularly on either side of the Atlantic. Spreads between the 10-year yield and stock dividend yield are among the lowest in the US and the UK, the only two major economies where 10-year bonds still yield positive returns. By contrast, the spreads in other European countries and Japan are as wide as 4.5%, with Sweden showing the greatest divergence.

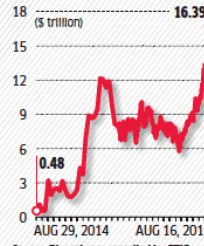
Unless company earnings improved and some money moved back to equities from bonds, stocks could face a rout — particularly in the developed economies where growth is rather hard to achieve. Global market-cap has risen \$6.38 trillion to reach \$76 trillion in 2019. To be sure, ultra-loose monetary policies mean that global equity assets could continue to get a share of the cash meant otherwise for immediate consumption, and those

inflows could help offset a total rout of equities if a full-blown recession were to hit the developed world. In the US, the spread between three-month and 10-year bond yields has become negative since late May 2019. Yield inversion is often viewed as an indicator of an imminent recession. The New York Fed is now assigning a 31% probability to the likelihood of a recession in the next 12 months.

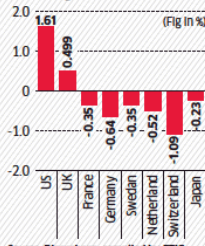
— Ashutosh R Shyam/ ETIG



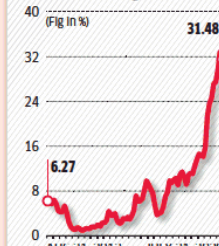
### Negative Yielding Debt Amount



### 10-Year Bond Yield of Major Countries



### NY Fed's Recession Probability



## FPIs' NET SHORTS IN NIFTY FUTURES SEE SHARP SURGE

# An Oversold Stock Market Could be in for a Bounce Back

FPIs' large bearish stances were followed by a 5-8% rally on five occasions in the recent past

### Ready for a Spurt?

Date	FII Short	Nifty	Date	Nifty 1-Month Later	% Move
04-06-12	1,01,200	4,848	04-07-12	5,302	9.36
12-04-13	1,00,900	5,528	13-05-13	5,980	8.18
28-08-13	1,26,959	5,285	30-09-13	5,735	8.51
04-04-18	1,34,006	10,128	04-05-18	10,618	4.84
26-10-18	1,27,331	10,030	26-11-18	10,628	5.96
13-08-19	1,35,882	10,925	13-09-19	-	-

NOTE: Data show peak short position every time FII was short more than 1,00,000 Nifty contracts. The FII position is net of number of contracts short based on long Nifty contracts minus short Nifty contracts. Taken same day one month later or following day if trading was closed on that day. Nifty data is on closing basis.

SOURCE: Indiacart.com

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Mumbai: An indicator of foreign investors' bearish positions in index futures has run into the over-sold zone. Historically, after such a situation, there has been a rally in the Indian stock market.

Foreign portfolio investors (FPIs) have a net short position in Nifty futures of more than 1 lakh contracts, which analysts said is high. On the previous five occasions when FPIs have built large bearish positions, the market has rallied 5-8% in the next one month. "It shows an oversold condition of the market in the near term as traders are over-pessimistic," said Rohit Srivastava, founder, Indiacart.com.

Overseas investors have been sellers in the Indian markets since July. The government's announcement of higher tax on the super-rich and FPIs registered as trusts triggered an outflow from the Indian markets.

The sentiment was already weak due to slowdown in the Indian economy and lack of any stimulus from the government to coun-

ter this slowdown. This contrasts with the sentiment prior to the national polls result on May 12, when FPI flows led the pre-election rally.

Another sentiment indicator, Put-Call ratio (PCR) based on volumes — the volume of puts traded divided by the volume of call options — has also risen. The 31-day average of volume PCR is at 0.66 — the highest reading since October 2011, said analysts.

When PCR rises, it means traders are buying more puts than calls. A trader buys put options when she is pessimistic. But, when PCR rises to extreme levels, it is also considered to be a sign of contrarian indicator. "A high number of puts trading is also a result of excessive pessimism in the market. A market rally would relieve these pressures in a bout of short covering," said Srivastava.

The Sensex ended 52.16 points, or 0.1%, higher from the previous close at 37402.49 on Monday, which is about 7% off from the record high of 40312.07 hit on June 4 this year.

Continued on >>> Smart Investing

## HITS 71.48 A DOLLAR

# Re Plunges to Over 6-Month Low of 71.43; Loses 29 Paise

PTI

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.

Forex traders said investors are awaiting government intervention to revive the slowing economy. There are expectations that the government would come out with sector-specific stimulus sometime soon.

The rupee opened on a weak note and fell to a day's low of 71.48 against the US dollar. The domestic currency finally settled at 71.43 against the US dollar, slipping 29 paise over the previous close. This is the lowest level for the local unit since February 7, when it had closed at 71.45 a dollar.

On Friday, the rupee had settled at 71.14 against the US dollar.

Next major support for the rupee is seen at 72.40 odd levels, he said. Meanwhile, the 10-year government bond yield was at 6.58% on Monday. The dollar index, which gauges the greenback's strength against a basket of six currencies, rose 0.07% to 98.21.

## Securities Appellate Tribunal Pulls Up Sebi Over Victim Redressal

## NTPC Stock Could Gain from High Dividend Yield, Earnings Lift

>>> MONEY MATTERS

## INVESTORS DESPERATE TO EXIT from the mid- and small-cap stocks, say wealth advisors

# Buybacks, Open Offers Find Many Takers as Returns Disappoint

### In Demand

Company	Subscription (%)	Offer Price (₹)	Stock price during offer period (₹)
<b>Open Offers</b>			
Essel Propack	125.0	139	132
NIIT Tech	107.6	1,394	1,337
Orient Tradelink	118.9	5	4
Mindtree	116.5	90	98
<b>Buybacks</b>			
Triveni Engg	1283.0	100	59
Savita Oil Tech	4232.0	1,605	1,019
SH Kelkar	1036.6	180	127
GeeCee Ventures	2219.3	135	112
Glance Finance	194.8	50	45
eClerx Services	593.5	1500	925



SOURCE: ETIG Database

Rajesh.Mascarenhas@timesgroup.com

Mumbai: Muted stock returns have made buybacks rather attractive now for investors, who has often given open offers and tender requests a miss when management change enhanced the likelihood of better governance and higher returns.

"There is a huge stress in the market because of the kind of fall we have seen in the past few months," said G Chokkalingam, founder, Equinomics Research & Advisory. "We have not seen this kind of exit by the shareholders in companies where better management is coming in. Investors are desperate to exit in the mid and smallcap stocks by whatever modes available."

The recently concluded ₹1,142-crore open offer by Blackstone Capital to shareholders of Essel Propack was subscribed more than 125%, according to the bankers. These open offers were never

fully subscribed in the past, especially when an overseas company was taking over. Blackstone Capital bought shares at ₹139.19 against the prevailing market price of ₹130 during the offer period of July 29 and August 9. The stock declined more than 20% after the closure of the open offer.

In NIIT Technologies, the open offer was subscribed 108% despite Baring Private Equity Asia increasing the buyback size to 35% from 26%. The company had earlier acquired a 90% stake in the technology firm for ₹2,627 crore. Baring paid ₹1,394 per share in the open offer against the average market price of ₹1,337.

"Earlier, investors used to skip open offers or hold the stock on expectations of better performance with the new management," said Ravi Sardana, EVP, ICICI Securities.

Continued on >>> Smart Investing

## DHFL Defaults on ₹1,571 cr Bond Repayments

DHFL on Monday said it has defaulted on its financial repayment obligations worth ₹1,571 crore with regard to issuance of bonds and commercial papers. The defaults pertain to three cases with regard to interest payment on non-convertible debentures and commercial papers (CPs), Dewan Housing Finance Corp said. In a break-up, the NBFC said it has defaulted on ₹46.92 crore towards interest amount on secured NCDs (9.92% and 9.40%/10 year tenor); on NCDs issued through a public issue for multiple tenors of amount involving interest of ₹363.77 crore and principal amount of ₹1,059.91 crore. — PTI

## JANA SMALL FINANCE BANK

Presents  
**FINANCIAL INCLUSION CONCLAVE**  
CONNECTING HIGH STREET TO LAST MILE

On the occasion of  
**Jana Diwas**

Partnered by  
**TIMES NETWORK**  
NOW ON MOTION

We are turning the spotlight on the inspiring stories of Financial Inclusion with this initiative. These stories were judged by:

Dr. D. Subbarao  
Former Governor, RBI

Mr. Vinod Rai  
Former CAG of India

Mr. Anand Sinha  
Former Deputy Governor, RBI

Dr. Nandakumar Jairam  
Chairman, CEO & GMD,  
Columbia Asia Hospital

Mr. Tamal Bandyopadhyay  
Sr. Adviser, Jana Small Finance Bank

Panel Discussion on Financial Inclusion:  
Connecting High Street to Last Mile

GUEST OF HONOUR



Mr. Krishnamurthy Subramanian  
Chief Economic Adviser,  
Government of India

EMINENT PANELISTS

Mr. Sudarshan Sen  
Former Executive Director,  
Reserve Bank of India

Mr. P.S. Jayakumar  
MD & CEO, Bank of Baroda

Ms. Jayshree Vyas  
MD, SEWA Bank &  
Independent Director, BSE

Mr. Krishnan Dharmarajan  
Executive Director, Centre for Digital  
Financial Inclusion

Mr. Alok Misra  
Professor, Public Policy &  
Governance, MDI, Gurgaon

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Mr. Mihir Bhatt  
Chief Editor-IPs, Times Network

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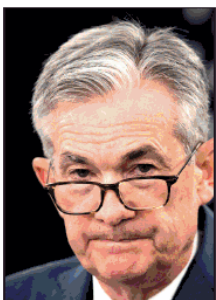
21<sup>ST</sup> AUG, 2019, MUMBAI

**JANA SMALL FINANCE BANK**  
paise ki kadar

## FED CHAIR to speak on Friday on challenges for monetary policy; investors bet the US central bank will cut rates in September by a quarter point

# Powell Likely to Use Jackson Hole to Suggest Fed Ready to Cut Rates

Bloomberg



Federal Reserve Chairman Jerome Powell will have no lack of material to choose from when he kicks off the central bank's annual Jackson Hole symposium Friday with a speech on the challenges for monetary policy.

A deglobalization shock touched off by Donald Trump's trade policy; super low interest rates, including \$16.7 trillion in negative-yielding bonds; a never-ending presidential assault on the Fed; and a rising risk of a U.S. and worldwide recession.

"There are all sorts of hazards out there," said former International Monetary Fund chief economist Maury Obstfeld, now a senior fellow at the Peterson Institute for International Economics.

And some of them, including the risk of a hard Brexit and political protests in Hong Kong, lie outside of the U.S. and aren't susceptible to the Fed's influence.

Continued on >>> Money Matters

## Trump Urges Fed to Cut Rate by 100 Basis Points

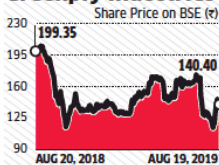
US President Donald Trump stepped up his assault on the Federal Reserve, urging it to cut interest rates by a full percentage point to aid global growth while complaining the dollar is so strong that it is sadly hurting other parts of the world. The Fed Rate, over a fairly short period of time, should be reduced by at least 100 basis points, with perhaps some quantitative easing as well, the president said in a tweet Monday. If that happened, our Economy would be even better, and the World

Economy would be greatly and quickly enhanced — good for everyone! The Fed cut rates last month for the first time in a decade and signaled it was open to doing more amid slowing global growth and uncertainty over Trump's trade war with China. Concern over the outlook has roiled financial markets and sent Treasury yields toward records lows, flashing recession-risk warnings as investors to increase bets the US central bank will ease policy again.

— Bloomberg

# What to Buy, Sell and Hold

## Greenly Industries



Antique Stock Broking has maintained buy rating on Greenly Industries with a target price of ₹170. The brokerage is positive on Greenly's continued margin improvement and superior brands. Near-term challenges in plywood segment persist. It is also expected to be supported by strong industry drivers and structural shift from unorganized to organized players. The brokerage estimates the company to clock revenue and PAT CAGRs of 13% and 27%, respectively over FY19-21 with pre-tax ROCE at 25% plus. Shares of Greenly ended down 1.7% at ₹140.40 on Monday.

Phillip Capital has upgraded KNR Constructions to buy and revised the target price to ₹315 from ₹300. With all the four hybrid annuity model projects under construction now, KNR is set for strong growth in FY20 and beyond. The brokerage's long-term thesis of KNR's strong execution skills and balance sheet, driving earnings, remains intact. Shares of KNR Constructions ended up 4.6% at ₹244.85 on Monday.

ICI Securities has maintained buy rating on Avanti Feeds with a target price of ₹400. The brokerage expects Avanti to report revenue and PAT CAGRs of 12% and 17.9%, respectively, over FY19-21 and also expect its RoE to be stable. The stock price correction of 30% over the past four months indicates the stock is available at attractive valuation of 11.1 times FY21, said ICI Securities. Shares of Avanti Feeds ended down 0.7% at ₹300.70 on Monday.

Kotak Institutional Equities has maintained reduce rating on Jindal Steel and Power and revised fair value to ₹105 from ₹150. The company's consolidated net debt declined to ₹3,600 crore in Q1 but the leverage remains high with net debt/EBITDA at 4.8 times and ₹5,000 crore of debt repayment in FY20. The brokerage has cut EBITDA estimate by 1% for FY20-21 with higher steel margins in domestic and lower in shaded division. Shares of Jindal Steel ended up 1.1% at ₹104.85 on Monday.

Maybank Kim Eng Securities has a buy rating on Mphasis and has revised target price to ₹1130 from ₹1180. The doubling of revenue from Blackstone Investee companies and increasing value of new contracts will drive a revenue pick-up over FY20-22, said Maybank. At 13.4 times FY21 EPS, the stock is trading close to its 5-year average of 13.7 times. The brokerage believes the stock should trade at a premium to its 5-year average P/E considering its EPS CAGR of 12.6% over FY19-22 vs 10.1% over FY13-19. Shares of Mphasis ended down 0.9% at ₹967.90 on Monday.

## FUND REVIEW Reliance Gold ETF BeES

# A Plan with Higher Liquidity Than Peers

In the last three months, gold has attracted huge attention from big institutions and savvy investors alike. Experts say that gold prices move in a nine-year cycle of upward and downward movement when seen in a historical context. An opinion that has gained currency among commodity analysts is that gold has entered the next nine-year cycle of upward movement.

There are a few fundamental reasons which support this line of thought. This looks more certain when one takes into account an investment horizon of two-three years. One, the tariff war between the US and China. This has made the US dollar volatile. To deal with the fluctuation in the US dollar, a few central banks (Poland, China and Russia) are buying gold as a safe haven. Consequently, in the past three months, gold prices have risen to close at ₹38,775 for 10 grams. Experts believe that the tariff war between the US and China may prolong which may keep gold prices firm in the near term. Two, low interest rates of central banks of developed markets make investments in gold safer than the US treasury bonds. Three, in times of economic slowdown, signs of which are visible, the attractiveness of tangible assets such as gold increases.

Given these factors, investors can add 10-15% of their portfolio in gold ETFs. Among gold ETFs, larger the size better the option would be a thumb-rule to use when investing. Investors can consider investment in Reliance Gold ETF BeES. The scheme has higher liquidity than its peers. In the past one year, the average volume traded in the scheme is 14,943 in comparison with an average volume range of 2,500-3,000 in its peer schemes.

- Rajesh N Naidu/  
ET Intelligence Group



CAGR RETURN (In %)			HOLDING (% as on July 2019)	
1 Year	3 Year	5 Year	Unspecified	Miscellaneous
31.16	5.38	5.45	99.80	0.20

RETURNS PEER COMPARISON (In %)			
	1-YEAR	3-YEAR	5-YEAR
Canara Robeco Gold Savings Fund - R	25.11	5.13	4.31
HDFC Gold Fund	24.79	4.42	4.03
ICICI Prudential Regular Gold Savings	24.30	4.52	4.28

Source: Accord Fintech, Compiled by ETIG Database

### Expert Take RUPESH BHANSALI, Head, Mutual Funds, GEPI, Capital

Among gold ETF schemes, Reliance is one of the oldest. The scheme has higher AUM than its peers. Rising uncertainty over earnings' growth means range-bound movement in stocks. There are enough factors favouring a continued rally in gold for the next few quarters. Given these factors, investors can invest in the scheme with a period of 2-3 years.

## FOUR INDEX funds tracking Nifty 500, Bank Nifty, Nifty Midcap 150 and Nifty Smallcap 250 currently open for investments

# Motilal Oswal NFOs May Suit Investors Keen On Passive MFs

Prashant Mahesh  
@timesgroup.com

Mumbai: Investors looking to include low-cost passive mutual fund schemes in their portfolio could consider the new fund offerings (NFOs) of Motilal Oswal Asset Management. Four index fund NFOs of Motilal Oswal Asset tracking the Nifty 500, Bank Nifty, Nifty Midcap 150 and Nifty Smallcap 250 are currently open for investments.

Index funds follow the passive style of investing because they do not require a fund manager's expertise to select stocks. While passive funds that bet on indices such as Sensex, Nifty and Nifty Next 50 are available, there have been no index funds for smaller stocks. Investors, who do not want to put money in actively managed mid- and small-cap funds, could opt for these products. "I'll now passive investors had no choice in the midcap and small-cap space. Based on their risk profile, investors can consider some allocation to these funds," says Rohit Shah, founder, Getting You rich. Now, it will be possible for investors to construct a 100% passive



**FEE STRUCTURE**  
Actively managed mid- and smallcap funds charge 1.5-2.5% as expense ratio; passive MFs charge maximum of 1%

portfolio covering a mix of large-cap, mid- or smallcap and multicap-oriented index funds or ETFs. While actively managed mid- and smallcap funds charge 1.5-2.5% of the amount invested as expense ra-

tio (the total fee that funds charge investors every year), passive funds in the space charge a maximum of 1%. "Investors who want to invest for the long term with an eye on low costs and who do not want to rely on fund manager skills could look at these products," says Harshvardhan Roongta, chief financial planner, Roongta Securities.

Fund managers are finding it extremely difficult to beat their benchmark indices. As per a report by SPIVA, in case of mid- and small-caps, the percentage of funds outperforming the S&P BSE 400 Mid Small Cap Index over 1, 3, 5 and 10-year periods is 74%, 43%, 60% and 45%, respectively.

Restrictions on stocks that can be chosen for the portfolio have made it more challenging for mid- and small-cap funds to outperform. For example, post the Sebi rule on categorisation of mutual funds, a midcap fund must invest 65% of its portfolio into stocks with rank 101 to 250 in market capitalisation.

"Increasingly, it is becoming difficult for fund managers to outperform the indices on a total return basis," says Jitendra Solanki, a Sebi registered financial adviser.

## An Oversold Stock Market Could be in for a Bounce Back

From ET Markets Page 1

However, others in the market believe while a bounce back may be on the cards, the rebound could be short-lived.

"A couple of indicators are hinting at a reversal in the market as stocks fall in the oversold zone, but the sentiments remain weak. There could be some bounce back but sentiments are not likely to change dramatically," said Yogesh Radke, head of alternative and quantitative research at Edelweiss Securities. "On Monday too, Asia and Europe markets gained but the Indian market ended flat. The 200-DMA level of 11,800 (Nifty) could act as a resistance level," said Radke.



Amit Gupta, head of derivatives at ICICIdirect feels any rally could fizzle out. "Since 2016 we have seen market fall by 11% on two counts and by 15% on one count and these events have been followed by a bounce back," said Gupta. Analysts are seeing less chance of a rally also because corporate earnings have been disappointing. Globally, the US Federal Reserve has indicated that the central bank will not be starting a prolonged easing cycle and US-China trade tensions continue to simmer. CLSA, in a recent note, said that a weak economy triggered broad-based earnings cuts in Indian companies post June quarter. "Positives were few given the slowing economy," said CLSA.

# Microfin Lender Spandana Makes a Weak Market Debut

Stock ends down nearly 1% below issue price; A long-term bet, say brokerages

### Our Bureau

Mumbai: Microfinance lender Spandana Spoorthy Financial made a tepid market debut on Monday, ending down nearly 1% below its issue price at ₹848.40. Spandana Spoorthy listed at ₹824 on the BSE, at a 3.7% discount to the issue price of ₹856 per share. The ₹1,200-crore IPO of Spandana, which was open for subscription between August 5 and August 7, was subscribed 1.05 times. It touched a low of ₹690 during the day and high of ₹865. Its IPO comprised a fresh share sale for ₹400 crore and OFS for ₹800 crore. Prabhudas



Lilladhar had given a 'subscribe for long term' rating to Spandana's IPO. "While the comparative valuations post dilution are in line with industry, Spandana is in the turnaround stage with greater scope for improvement on operating metrics. We believe CreditAccess

Grameen stands as a better play in the MFI space with improved processes, steady asset quality and higher business visibility," said Prabhudas Lilladhar.

Motilal Oswal had also recommended subscribing to the issue from a long-term perspective. "Given Spandana's efficient business model, its display of strong resilience during tested times, higher ROA and NIMs, we are positive on the company and its business model. However, considering the current market environment and NBFC liquidity issues, investor can look at subscribing to the IPO from a long-term perspective," said Motilal Oswal.

## Many Takers for Buyback Offers

From ET Markets Page 1

"However, in the current market conditions, investors are alert and they are deciding based on the difference between the offer price and prevailing market price."

Larsen & Toubro's offer open of about ₹5,029.89 crore to acquire a

## Day Trading Guide ICICI Direct

The price action formed an inside bar on the weekly chart as the index traded within the previous week trading range indicating consolidation. The index managed to hold the previous week low despite global volatility and formed a higher trough in weekly chart for the first time in last six weeks indicating abating downward momentum and presence of strong support around 10800 levels. Going ahead, we expect the index to maintain a positive bias and move above last two weeks high (11181) and extend the up move towards 11300 levels in the coming weeks.

### Tech Picks DHARMESH SHAH Head Technical

**AXIS BANK**  
Favourable risk reward set up as price rebounding from 61.8% retracement of earlier rally  
LAST CLOSE → ₹685 STOP LOSS → ₹667

**TRENT**  
Stock forming higher peak, higher trough and price breakout over July high with strong volume  
LAST CLOSE → ₹472 STOP LOSS → ₹458

**DR LAL PATH LABS**  
Price breakout above last three months consolidation range and MACD in buy mode  
LAST CLOSE → ₹1,180 STOP LOSS → ₹1,148

**BIOCON**  
Bearish flag breakdown and RSI giving sell signal in the daily chart  
LAST CLOSE → ₹217 STOP LOSS → ₹224

**F&O Corner** AMIT GUPTA Head-Derivatives

**Buy MCX**  
CMP → ₹866 | TARGET → ₹915 | STOP LOSS → ₹835

**RATIONALE:**  
a) MCX has remained largely immune to the recent market volatility. The open interest in the stock has increased sharply in the last couple of weeks amid recovery in the stock. The current OI in the stock is almost 25% higher since August 6 when the stock had started to move higher.  
b) We believe fresh longs have been added in the stock, which may provide fresh upsides. In the options front also, the call activity is at deep OTM 880 strike and further upsides are expected in the coming sessions.

**Short Muthoot Finance Aug 650 Call**  
CMP → ₹6.20 | TARGET → ₹0.50 | STOP LOSS → ₹10.50

**RATIONALE:**  
a) Muthoot Finance has remained largely an out-performer in the recent market weakness but sharp correction from 650 levels last week seems to be a major hurdle for the stock in the coming series.  
b) The highest Call base for August series is placed at 650 strike while fresh shorts are seen in the stock futures. We believe stock has limited upsides and Call options can be written

**Fx Technical** AMIT GUPTA Head-Derivatives

**Buy USSINR at 71.20-71.30**  
Target: 71.85 Stop loss: 70.80

**RATIONALE:**  
• US-China Trade war concerns are weighing on most of the EM currencies including rupee  
• Domestic equity and debt markets have witnessed combined outflows of over \$1 billion in August till date, which is negative for rupee

<b>RESISTANCE</b>	71.55	71.70	71.85
<b>SUPPORT</b>	71.25	71.0	70.80

**Buy EURINR in the range of 79.15-79.25**  
Target: 79.90 Stop loss: 78.70

**Rationale:**  
• Euro has witnessed some weakness v/s US\$ in backdrop of fragile risk sentiment  
• Relatively weaker rupee is likely to provide some support to EURINR in near term

<b>RESISTANCE</b>	79.40	79.65	79.90
<b>SUPPORT</b>	79.20	79.0	78.70

## Market Intelligence Powered By: ETIG Database www.etintelligence.com

MARKET SNAPSHOT				TURNOVER				ADVANCE & DECLINE				HIGHS & LOWS				FII ACTIVITY (₹ Cr.)				MF ACTIVITY (₹ Cr.)				F&O Corner-NSE																							
Code	SENSEX	NIFTY	High	Low	Change	Date	Turn	Shares	Trades	NSE	Advances	Declines	Unchanged	Total	High	Low	Change	Date	Buy	Sell	Net	Date	Buy	Sell	Net	Company	Contract	Traded	Open	Chg	Int	Company	Contract	Traded	Open	Chg	Int										
Open	37485.92	11094.80	37714.80	11146.80	107.85	19/8	1825	1602	1075	25360	12830	10159	5	52WK High	37485.92	37485.92	107.85	19/8	8549	7230	1318	3223	2657	566	16/8	2392	1281	1111	6601	3544	3057	Vodafone	6.00	2915000	1831000	1849	1839	PNV	14400	1141	14400	4.9					
High	37714.80	11146.80	37485.92	11094.80	107.85	19/8	1825	1602	1075	25360	12830	10159	5	52WK Low	37485.92	37485.92	107.85	19/8	7257	5232	2202	1441	1478	3441	1755	1087	10784	7989	2795	Engineers	1200	1211.25	1211.25	1211.25	1211.25	Strides	400.00	395.05	2.70	0.09							
Low	37485.92	11094.80	37714.80	11146.80	107.85	19/8	1825	1602	1075	25360	12830	10159	5	52WK Change	37485.92	37485.92	107.85	19/8	185187	7054	26142	66.05	50.14	13/8	5784	6314	560	510	895	385	13/8	3920	3319	601	7899	6904	996	Biotech	103.05	103.40	0.34	-2.91	Dowdell H.Fin	430.05	435.55	-2.53	0.10
Change	37485.92	11094.80	37714.80	11146.80	107.85	19/8	1825	1602	1075	25360	12830	10159	5	52WK High	37485.92	37485.92	107.85	19/8	4756	5502	746	601	518	8/8	3561	3111	449	6308	3789	2578	Shakti	15.90	15.95	0.31	0.10	Maharaj Elect	97.85	95.50	-2.40	-1.22							
52-Wk High	44021.07	13210.05	44021.07	13210.05	107.85	19/8	1825	1602	1075	25360	12830	10159	5	52-Wk Low	37485.92	37485.92	107.85	19/8	5452	6517	1066	1612	512	8/8	3347	3293	54	10741	8225	2516	Torrent	285.95	286.80	0.30	-1.16	Mahangaf G	78.00	76.950	-2.22	29.93							
3-Yr High	4194021.07	13191210.05	4194021.07	13191210.05	107.85	19/8	1825	1602	1075	25360	12830	10159	5	3-Yr Low	37485.92	37485.92	107.85	19/8	5729	6491	7632	16852	15040	1812	9/8	332	1454	1552	5.05	25.16	25/8	337	280	457	Adani Ports	200.00	200.00	3609.00	16.23	16.23	Shakti	97.85	95.50	-2.40	-1.22		
52 WEEK AT NSE	37485.92	11094.80	37714.80	11146.80	107.85	19/8	1825	1602	1075	25360	12830	10159	5	52 WEEK AT NSE	37485.92	37485.92	107.85	19/8	5729	6491	7632	16852	15040	1812	9/8	332	1454	1552	5.05	25.16	25/8	337	280	457	Adani Ports	200.00	200.00	3609.00	16.23	16.23	Shakti	97.85	95.50	-2.40	-1.22		

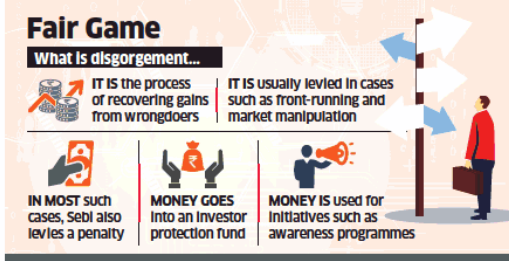
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# WANTS SYSTEM in place to compensate investors who suffer losses due to fraud; Sebi says implementation is tough SAT Pulls Up Sebi Over Victim Redressal

Pavan.Burugula @timesgroup.com

Mumbai: The Securities Appellate Tribunal (SAT) pulled up the capital market regulator for not having a mechanism in place to compensate investors who are victims of stock market manipulations. "Disgorgement without restitution does not serve any purpose," it said, while delivering a judgement in the matter of Vital Communications earlier this month. The tribunal said the Securities and Exchange Board of India (Sebi) collects large amounts in the form of disgorgements from market manipulators but investors who faced losses don't get paid. SAT hears appeals against Sebi rulings. Disgorgement is the process of recovering gains from wrongdoers and is usually levied in violations such as front-running and market manipulation. In most such cases, Sebi also levies a penalty. This money currently goes into an investor protection fund and is

used for initiatives such as awareness programmes. Sebi had found that the promoters and directors of Vital Communications had devised a scheme to make fraudulent gains. The manipulation was conducted through a web of preferential allotments to the promoter group. In July 2014, the regulator banned the promoters of Vital from accessing capital markets. In the order, then whole-time member Rajeev Kumar Agarwal had directed the investigation department of Sebi to examine the feasibility of quantifying the gains made through fraud and to initiate disgorgement proceedings. The appellants, the investors who had suffered losses due to the fraud, moved SAT in 2013 seeking the distribution of such disgorgements. The tribunal allowed this. Subsequently, a disgorgement of ₹4.55 crore was ordered in the case. However, this wasn't distributed among the distressed investors. SAT pointed out that Sebi had not followed its directions in the August 2 order.



"The WTM (whole-time member) of Sebi has passed only a disgorgement order against the company and the connected entities," it said. "There is no direction to pay any amount to the appellants despite such a clear direction from this tribunal." The SAT ruling refers to the two-step legal convention in frauds or violations that impact other investors. The first is disgorgement, in which the regulator collects proceeds

of such activity, and the second is restitution — distributing these to the victims. Sebi had argued that it was virtually impossible to hand out compensation to the large number of investors who have been victims. Also, giving compensation on a selective basis can be discriminatory. A Sebi official said the tribunal's observations were rational from a macro point of view but implementing them would be difficult. "Let's

say an investor chooses to sell his stake immediately after the fraud while another investor doesn't sell shares until they recover," he said. "The quantum of loss suffered by both is very different and it is difficult to arrive at a one-size-fits-all formula." Regulators such as those in the US have a framework for distributing disgorgements. The Securities and Exchange Commission (SEC) has the Fair Funds for investors through which it distributes money to victims. The US regulator has distributed \$4.33 billion (₹1 lakh crore at current rates) among victims since 2002, when the system was introduced. The UK and France also have such systems. "There is a precedent for restitution even in India as Sebi had compensated some of the investors who were victims of the IPO scams," said Sandeep Parekh, founder, Finsec Law Advisors. "However, it might not be practical to undertake such an exercise in every case considering cost-benefit analysis."

## 4.5% DIVIDEND YIELD EXPECTED IN FY20

# NTPC Stock Could Gain from Dividend Yield, Earnings Lift

But, merger of large state power cos with NTPC could hurt co financials, say analysts

Jwalit.Vyas@timesgroup.com

	Jun qtr FY20 (₹ cr)	YoY chg (%)
Net Sales	24,193	6.60
EBIDTA	6,452	8.40
EBIT	4,728	11.70
Net Profit	2,615	2
ROE	20%	-100bps

ET Intelligence Group: A dividend yield of 4.5% could support NTPC's stock, which has seen a sharp fall over the past few months. The stock of India's largest power producer was considered a defensive bet in uncertain times, given its steady business and high earnings visibility.

EBIDTA is earnings before interest, depreciation and tax. ROE is return on equity.

However, the recent government announcement to sell up to 10% stake, followed by weak June quarter performance,

### Power Play

had led its stock to plummet 18% in the past two months. The company paid dividend per share of ₹4.5 last year and is expected to give ₹5.33 this year, according to Bloomberg estimates. This results in a 4.5% divi-

dent yield for FY20. NTPC spent ₹27,000 crore in capex last year and similar capex is expected in FY20 as well. Analysts expect a 19% earnings growth in the current fiscal, despite a weak first quarter. That would make the stock trade at 9 times earnings and 10 times price-to-book. This is attractive for a company generating double-digit growth and double-digit returns on equity.

But what could hurt the financi-

als is the merger of other two large state-owned power companies — NHPC and SJVN — with NTPC. Analysts are concerned that this could impact the overall financial ratios. There is also a possibility of NTPC being asked to take the government's stake (partial or full) in these companies, which could lead to a rise in the debt level. The value of the government's stake in NHPC and SJVN is about ₹26,000 crore. At the end of FY19, total cash with the company was ₹2,145 crore and analysts expect cash of around ₹4,000 crore at the end of FY20, after assuming capex of over ₹2,000 crore.

To be sure, the company has no update to share. Gurdeep Singh, NTPC chairman, said: "We have not received any proposal yet from the government. We had showed our interest in SJVN two years ago, but there was no response from the government."

In June quarter, NTPC's sales rose 7% to ₹24,193 crore. Earnings grew by only 2% to ₹6,452 crore due to one-time costs. Returning profit for the quarter grew 16.5% to ₹2,980 crore, while generation was down 1.6%.

## Powell may Use Jackson Hole to Suggest Fed Ready to Cut Rates

From ET Markets Page 1

Fed watchers expect Powell to do nothing on Friday to disabuse investors of the widespread perception that the central bank will reduce interest rates by another quarter of a percentage point next month. But whether he'll open the door to a half-point cut, which some traders are looking for, is unclear.

"It's certainly a possibility," that the Fed will lower rates by a half point in September, said Bruce Kasman, chief economist at JPMorgan Chase & Co. "But I don't see it. The data don't justify that."

He puts the chances of a US recession in the next 12 months at 40% to 45%. Mixed Signals Former Fed official Nathan Sheets likened the economic dashboard facing Powell to a Christmas tree. Some lights, such as the steep drop in bond yields, are flashing recession red. Others, such as solid retail sales, are flashing a green all-clear or at worst a cautionary yellow.

Powell described the Fed's policy path as a "mid-cycle adjustment" on July 31 after it cut rates for the first time in a decade. Sheets, who sees one or two more rate cuts, said he'd be fine with Po-

well repeating that description but he doubted investors would be.

The Fed chair though will want to avoid feeding the pessimism in the financial markets and seeing it spread more broadly, said Sheets, who is now chief economist for PGIM Fixed Income.

Nothing to Fear "We have nothing to fear about a recession right now except for the fear of recession," Bank of America Corp. Chief Executive Officer Brian

Moyinhan told Bloomberg Television on Aug. 16.

The Fed is in a "lose-lose situation," said Allianz SE chief economic adviser Mohamed El-Erian.

If it cuts rates when the domestic economy is doing all right, it will be accused of caving in to pressure from Trump and Wall Street. If it stands pat, it risks triggering a financial-market disruption that could damage the economy. While the direct effects of tariffs are not large, what's key is the impact that the policies have on business confidence and financial markets, he said.

And they can change quickly in response to the latest Trump tweet.

## Sterling & Wilson may See a Weak Listing

Our Bureau

Mumbai: Shares of solar power EPC company Sterling & Wilson Solar are likely to list at a discount of ₹15-₹20 to its issue price of ₹780 per share at its market debut on Tuesday, said market sources, citing grey market trends.



Analysts said the stock could list at a discount given the weak market conditions of late. On Monday, microfinance lender Spandana Spoorthy listed at a near 4% discount to its issue price. "It is likely to list at a discount. It is not a buy before ₹

625-₹650 levels," said Geetanjali Kedla, senior research analyst at SPTulsiian.com.

The ₹3,125-crore IPO of Sterling & Wilson Solar was open between August 6 and August 8. The company had set a price band of ₹775-780 per share. Investors subscribed to 85%, or 1.9 crore shares, of the issue size of 2.2 crore shares, excluding the anchor placement, due to weak sentiment and rich valuations. Including the anchor portion, the issue was subscribed 92%.

## BG Asia Looks to Exit Mahanagar Gas

Rajesh.Mascarenhas @timesgroup.com

Mumbai: BG Asia Pacific Holding, the promoter of Mumbai-based Mahanagar Gas, is looking to exit completely from the city gas distribution company by selling 10% stake for ₹724 crore through a block deal on Tuesday, the term sheet seen by ET showed. The floor price for the sale has been set at ₹733.10 per share, a 6.9% discount to Monday's closing price.

Shares of Mahanagar Gas declined 2.32% to ₹787.35 on Monday.

The stock has gained since its listing in July 2016.

Shell, through its wholly-owned subsidiary BG Asia Pacific Holdings, had acquired a 34% stake in Mahanagar Gas in July 2016. In April last year, it sold 8.5% stake in the company and later in August it offloaded another 14% stake thus reducing its holding to 10%. Shell had taken over BG Group Plc in 2016, and subsequently acquired its assets worldwide.

Mahanagar Gas is a JV between GAIL and BG Asia Pacific. GAIL holds 32.5%, BG has 10% and the remaining 57.5% is held by public shareholders.

## Cash Burn to Intensify

From Page 1

Amazon's decision to launch food delivery on its own comes after it explored several models including investing, buying out, partnering with cloud kitchens, and other food aggregators.

"Amazon held talks with each of the players in the ecosystem and explored many avenues, including investing in some cloud kitchen brands. However, none of these deals materialised since taking an investment from Amazon is a huge signaling risk for the brand," said an entrepreneur who runs a cloud kitchen, requesting anonymity.

In a cloud kitchen, operators prepare, package and deliver food without providing any dine-in facility to end-consumers.

Business Standard earlier reported that Amazon held discussions to acquire UberEats, the ride-hailing leader's food delivery service.

Amazon's food delivery launch is likely to intensify the cash burn in the sector, investors pointed out. Rivals Swiggy and Zomato continue to burn close to ₹30-40 million each month on discounting, logistics and restaurant tie-ups, yet the space has no clear market leader.

Swiggy clocks an estimated 1.2 million orders a day across 300 cities while Zomato fulfils about 1 million daily orders across 500 cities, according to industry sources.

ET reported earlier that Uber had halved annual cash allocation to ₹90-120 million for its food-delivery business in India. Ola, too, has pulled out from its food-delivery business, Foodpanda, and is instead selling private brands.

In June, Amazon shut down its four-year-old Amazon Restaurants delivery service in the United States, while in Europe, it has invested in food delivery platform Deliveroo after shutting down its own service in the UK.

## Patel Put Onus on EGoM

From Page 1

The people in the know said that the then aviation minister, National Congress Party leader Praful Patel, who has been questioned by the ED as well as CBI in the matter, told the probing agencies that the purchase order was sanctioned by a panel headed by Chidambaram. Patel vehemently denied any wrongdoing in the case, they said.

In its chargesheet, the ED described Patel as a "dear friend" of corporate lobbyist Deepak Talwar, who has been arrested for allegedly receiving kickbacks of ₹5.27 crore while acting as a middleman to illegally secure favourable air traffic rights for foreign private airlines in 2008-09 at the cost of Air India by liaising with several government functionaries.

While the chargesheet said that Patel used to meet Talwar "socially", the then aviation minister has denied any business association with the corporate lobbyist, who was arrested by the ED in July after he was deported from Dubai.

The chargesheet further said that Talwar had "close proximity" to "various government agencies, including ministries of finance, law, corporate affairs, technology, the then Foreign Investment Promotion Board, banking, media and public relations".

It said that Talwar exploited his relationship with "senior functionaries in administration, politicians, ministers and other officials" to illegally obtain "favourable air traffic rights for UAE, Air Arabia and Qatar Airways". The ED, in its chargesheet, had annexed a list of 23 foreign and 33 Indian companies associated with Talwar which were allegedly used to route "kickbacks" received by him.

## Yield Curve Panic an Overreaction, But Doesn't Mean it Was Harmless

### Expert Take



MOHAMED A EL-ERIAN

Inversion of the US Treasury yield curve caused quite a reaction in markets and beyond last week. Losses of around 3% for the major US indices on a single day were accompanied by headlines screaming about the recession signals sent by the unusual occurrence: investors willing to receive less yield on 10-year bonds than on 2-years, even though they were committing their capital and taking risk for a longer period.

Yet, there is good reason to believe that all this was an overreaction, and not just because the curve had reverted by the end of the week. It's likely to invert again in the coming weeks and months.

Let's consider now why a panic may not be in order. The most widely cited reason for the recession signal of an inverted 2-10 Treasury curve is that rational investors will lock up their capital for an additional eight years only if they believe that the yield on the longer maturity will fall dramatically in future. This

would happen if the US economy were to slow markedly. That is certainly true. But it is not the only reason an inversion can happen. Two others reason seem more influential at this stage.

First, expected price appreciation is also a reason for investors to buy bonds even if the yield is low. Indeed, you need only look at what happened last week in Europe, where many bonds plunged further down in yield, driving the stock of negative-yielding bonds worldwide to over \$16 trillion. And such expectations of price appre-

a function of what's taking place abroad. This was highlighted last week when the US curve inversion followed the release of disappointing growth indicators from China, Europe and Singapore.

These two reasons also distort the traditional US economic signaling function of an inverted yield curve for Treasury — a hypothesis that was supported by high-frequency data that pointed to a healthy consumer, the main driver of growth in the US.

All this is to say that last week's worries about a US recession this year are overb-

policy mistake and/or a market accident — a possibility that is accentuated by the probability that the curve will invert in the future as Europe weakens further, trade tensions escalate and the ECB feels compelled to become more activist notwithstanding the limited likelihood of beneficial policy effects on the economy.

Second, the US is not immune to a weakening global economic context. This is particularly true for corporations that earn revenue and profit from overseas.

Finally, with the corporate sector more exposed, the stock markets will remain vulnerable to global economic weakness, opening up the possibility of a negative wealth effect if holders of stocks feel less well-off and cut back on their spending.

Last week's reaction to the yield curve inversion was overblown. Yet it included an important warning to politicians around the world. Unless they step up their pro-growth policy initiatives, the risks of major economic and financial disruptions are increasing. And with lower interest rates on longer-term debt, what a great time to initiate infrastructure programs in both Europe and the US that can help crowd in private sector investment, enhance supply responsiveness and boost demand in a more sustainable fashion. —Bloomberg



ciation are supported by the high likelihood that a large non-commercial buyer — that is, the European Central Bank — is on the verge of restarting its large-scale asset purchase program while pushing its policy rates even more negative.

Second, bond markets internationally are much more connected than national economies. As such, what's happening to US yields is also

low. But this is not to say there are no risks to the economy and the markets; and it certainly is not to say that the curve is unlikely to invert again.

A higher perceived risk of recession, even if based on distorted signals, can be dangerous if alarmist headlines lead consumers to cut back on their spending. And this would make the US economy even more vulnerable to a

## ET in the Classroom

### LINKING INTEREST RATE TO EXTERNAL BENCHMARK

# What Does the RBI Move Mean for You

After the Reserve Bank of India (RBI) proposal that all new retail and MSME loans be linked to external benchmarks like repo rate or T-bills, banks have started the process albeit slowly. The country's largest lender State Bank of India was the first to move towards linking its loans with the repo rate. Later, Bank of Baroda and Union Bank followed suit. But, why should you, the consumer, be concerned? We find out why.

### 1. The current framework

Currently, the pricing of loans is based on internal benchmarks, i.e., base rate, benchmark prime lending rate (BPLR) and marginal cost of funds-based lending rate (MCLR). The RBI's proposal of implementing external benchmarking was not completely implemented after former governor Urjit Patel's sudden exit from the central bank put the scheme on the back-burner.



### 2. What is MCLR?

MCLR is an internal benchmark rate that depends on various factors such as fixed deposit rates, source of funds and savings rate. The price of loan comprises the MCLR and the spread or the bank's profit margin.

### 3. What went wrong with MCLR?

The move was expected to ensure better and faster transmission of policy rates by banks, but it did not have the intended effect. While the RBI brought down its key policy rate by 110 bps, the weighted average call money rate declined by 78 bps, 10-year benchmark yield went down by 102 bps but banks only transmitted 29 bps between February and June on fresh rupee loans.

As per RBI's proposal, banks can link their lending rates with an external benchmark instead of the MCLR. The option given to banks includes: the RBI repo rate, the 91-day T-bill yield; the 182-day T-bill yield; or any other benchmark market interest rate produced by the Financial Benchmarks India Private Limited.

### 5. Will RBI formalise the system?

The RBI so far has not issued specific directions for banks to follow these rules but governor Shaktikanta Das has expressed keenness on formalising the scheme. "I think the time has now come to formalise this linking of new loans to external benchmarks like the repo rate. We are monitoring this and will be initiating necessary steps," he said recently.

### 6. Will the new regime help?

It is expected to bring in better transmission of policy rate cuts. The new regime will make the system more transparent since every borrower will know the fixed interest rate and the spread value decided by the bank. It will also help borrowers compare loans in a better way from different banks.

TEXT: Saloni Shukla

## 'Carve-out for All FPIs Best Answer'

From Page 1

According to Keyur Shah, partner and leader (financial services tax) at EY, "The levy of the HNI (high networth individual) surcharge on FPIs was unintentional, and hence a complete carve-out for all FPIs would be the best answer."

FPIs are registered with the Securities and Exchange Board of India under three categories. Category-I FPIs are government and government-related investors — and, therefore, clearly not wealthy individuals. Category-II FPIs are regulated, broad-based funds such as mutual funds, regulated entities, university and pension funds, and university endowments — entities that are not controlled by a single individual. Category-

III FPIs are those that do not fall under the previous two categories.

The budget has raised the surcharge on tax from 15% to 37% on non-corporate FPIs along with wealthy individual taxpayers and domestic trusts. "The government should find a way to achieve its tax objectives without adversely impacting FPIs simply because of the way they are structured," said the Asifima official.

According to many offshore investors, a higher tax rate for non-corporate FPIs — as against corporate FPIs that are taxed at the old rate — means the government is discriminating between similar funds that have been structured differently, particularly overseas funds that may have a legitimate reason for being set up in a trust form. "Such funds, which often operate

globally, are unlikely to change their structure just to avoid the increase in tax surcharge rate. And even if they do, that could trigger GAAR (General Anti-Avoidance Rules)," according to Asifima. "If, as a result of such tax differential, such funds do not perform well, they are more likely to pull out of India," said the industry body in response to ET's query. The issue of GAAR may crop up in the respective countries where the funds are established if it is perceived that the conversion to a corporate structure was done solely to avoid paying the higher tax surcharge in India, said Lakshmi. Typically, GAAR (a provision to curb tax avoidance) applies to doubtful transactions where there is no substance, or to deals that would not have been entered into in ordinary course of business.

## Remodelling Biz

From Page 1

Seeing this, Indian entrepreneurs are now remodelling businesses to cater this group.

Mixing digital with physical strategies, focussing on regional languages and creating solutions for India-specific issues are themes that have garnered a lot of interest among local entrepreneurs and even the bigger internet firms. Over the next few days, ET, which has led with its continuous and detailed coverage of India's start-

up economy, will publish personal accounts of top-notch founders on how they are targeting this segment of users with new ideas.

The Economic Times Startup Awards, now in its fifth edition, is presented in eight categories. "The winners were chosen after a rigorous process that began with nominations from a group comprising the most influential founders and investors. The final shortlist of five candidates in each category was prepared by ET's editors in consultation with knowledge partner Tracxn.

## 'Faster Rate Transmission Needed'

From Page 1

Das appealed to banks for faster transmission of policy rates to encourage lending.

"Today, the economy requires a certain amount of push not just from the monetary policy but also from its transmission — our expectation is that they (banks) should move faster," Das said. Bank credit to NBFCs fell by more than Rs 6,000 crore between March and June, highlighting the risk aversion. Credit disbursements by NBFCs plunged by a third in the year to March raising worries over solvency. Das said that it was the right time to formalise the linking of fresh loans with external benchmarks such as the repo rate. "We are monitoring this and will be initiating necessary steps," he said.

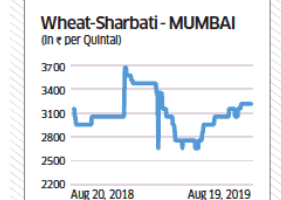
The country's largest lender, the State Bank of India, introduced repo-linked lending rates for home loans in July for new customers, giving them the benefit of lower policy rates.

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**Tweet of the Day**

**David Rosenberg**  
 @EconGuyRosie  
 Hey, if you don't like the yield curve as a recession gauge, how about the -5.9% YoY trend in the Cass Freight Index, the -9.7% plunge in Port of Long Beach cargo traffic and the 3.9% slide in US railway carloadings?

**Quarts & Ounces**



**ET Index**  
 COMMODITIES (2003=1000)

<b>Bullion</b>	CHANGE	-1.20
DAYS INDEX	PREV DAYS	LAST WEEK
5290.5	5355.0	5237.6
<b>Cement</b>	CHANGE	0.00
DAYS INDEX	PREV DAYS	LAST WEEK
2381.0	2381.0	2381.0
<b>Edible Oil</b>	CHANGE	-0.21
DAYS INDEX	PREV DAYS	LAST WEEK
1601.6	1605.1	1572.2
<b>Foodgrains</b>	CHANGE	0.03
DAYS INDEX	PREV DAYS	LAST WEEK
2444.1	2443.3	2407.2

**45 MILLION TONNES**  
 RICE PROCURED EVERY YEAR AT MINIMUM SUPPORT PRICE

**MAJOR REFORM IN FOOD PROCUREMENT**

# Aadhaar to Ensure Farmers, not Middlemen, Get Benefits

Govt to begin a pilot project in four districts of Odisha this kharif harvest

Rituraj Tiwari  
 @timesgroup.com

New Delhi: The government is planning a major reform in food procurement by mandating biometric identification for farmers to weed out malpractices and ensure that only bona fide farmers get the benefit of minimum support prices. "We are starting a pilot in four districts of Odisha from this kharif harvest. After successful implementation, we will gradually replicate it in every part of the country," said a senior government official. He said there have been a large number of complaints that traders and middlemen buy grains from farmers at prices lower than MSP and sell it to government at the floor price, cornering the price difference. "This will curtail this practice

**PLUGGING THE GAP**

There are complaints that traders and middlemen buy grains from farmers at prices lower than MSP. Later they sell the grains to government at the floor price, cornering the price difference.



and farmers will get the promised prices. Like in any other government scheme, Aadhaar verification will be compulsory for selling produce to government. With this, only genuine farmers will get the benefit," he said. The official said the government will provide a grant of ₹1 lakh each for computerisation of procurement centres across the country. "There will be one laptop and an electronic point-of-sale (PoS) machine at each centre to capture thumb impression of farmers after they sell their produce. PoS machines will be link-

Govt will provide a grant of ₹1 lakh each for computerisation of procurement centres across the country

**MANDATORY**

Like in any other govt scheme, Aadhaar verification will be compulsory for selling produce to government. With this, only genuine farmers will get the benefit

Act (NFSA)," he said. At present, the government supplies 5 kg of subsidised foodgrains to each person per month to over 8 crore poor people through 5,00,000 ration shops in the country, costing the exchequer about ₹1.4 lakh crore annually.

## NBFC Loan Growth in Negative Zone

A Credit Suisse analysis says 10-11% of loans turning NPAs

Himanshi Iohchab  
 @timesgroup.com

Mumbai: In further trouble for non-bank lenders, their loan growth slipped into negative territory with a de-growth of nearly 2% in the quarter ended June 30 and a year-on-year growth of 11%, according to an analysis by Credit Suisse. "Moderation in vehicle loans in the face of a slowdown in the auto sector and increased caution appear to be the prime reasons," said Ashish Gupta, Research Analyst with Credit Suisse. "Wholesale loans at NBFCs though have started to deteriorate and as much as 10-

11% of these turning NPA at some NBFCs."

While RBI has maintained system-level liquidity surplus over the last two months, risk aversion among banks and bond markets continued the credit crunch for non-bank lenders.

"For NBFCs, even as aggregate liquidity has turned surplus, bond markets have continued to differentiate in their willingness to fund them," the report said. NBFCs are facing severe liquidity squeeze after the collapse of infrastructure finan-

**ASHISH GUPTA**  
 Research analyst, Credit Suisse

Moderation in vehicle loans in the face of a slowdown in the auto sector and increased caution appear to be the prime reasons



**Grim Outlook**

RISK AVERSION among banks and bond markets continued the credit crunch for non-bank lenders

**PRIVATE BANKS**

too showed signs of slowdown in credit with advances slipping to 9.5% YoY and a meagre 1% QoQ

**GROSS NON-PERFORMING**

loans remained flat at 9.6% versus 9.5% in the last quarter of financial year 2019

## Move to Boost Sentiment



From Page 1

Essel's cash-strapped promoters had entered into an agreement with mutual funds getting time till September 30 to repay debt. This agreement prevented mutual funds from selling shares of group entities that were held as collateral. The agreement also affected payments in the fixed maturity plans (FMPs) of Kotak Mahindra AMC and HDFC AMC.

Investors in six fixed maturity plans (FMPs) of Kotak AMC maturing between April 18 and May 31 did not get back their entire money on account of delay in repayment by Essel. HDFC Mutual Fund gave unitholders the option to roll over investments for another 380 days instead of redeeming at maturity in mid-April.

Aditya Birla Mutual Fund has the highest exposure worth ₹2,500 crore. Others that hold Essel securities are HDFC Mutual, SBI Mutual, ICICI Prudential, Kotak and Franklin Templeton. The Essel group had agreed to seal the stake sale deal before July 31 and return the proceeds by September. "Details cannot be shared due to confidentiality," said an Essel Group spokesperson.

"Essel repayment would be a major sentiment booster for the entire mutual fund industry which was struggling after loss of confidence following a few defaults," said the chief investment officer of a leading mutual fund. "There was uncertainty over the payments to AMCs even after the stake sale in Zee Entertainment."

Mutual fund officials said it would be critical for Essel Group to repay the rest before September 30. In July, the group had unofficially told mutual funds holding the pledged shares that it could offload a further 10% in Zee to another investor in August to repay the balance of what it owes them. At Monday's closing price of ₹348, a stake sale of 10% in Zee would fetch about ₹3,400 crore.

Earlier, HDFC Mutual Fund had bought non-convertible debentures (NCDs) of Essel Group worth ₹500 crore from the debt schemes having exposure to these securities. The fund house had said it would repay investors in fixed maturity plans (FMPs), which hold Essel securities and will mature till September.

## Visa Slams Move to Nix MDR

PROPOSAL TO DROP MDR will provide no incentive, says payments co

Our Bureau

Mumbai: Global payments major VISA has joined a sizeable list of payments companies that have spoken against the government's Budget decision to waive off the merchant discount rates (MDR), or the fees charged by banks from merchants to process digital transactions.

Zero MDR would leave banks and payment service providers with no incentive to deploy acceptance infrastructure on the ground as it would skew the cost-benefit economics for these companies, a senior VISA spokesperson said at a panel discussion during an event organised by FICCI and IBA here on Monday.

"If there is going to be no skin in the game for anybody to deploy these terminals, and roll them out geographically in Tier-III and IV cities, it's like saying voice is free and data is free, but without the supporting infrastructure," said TR Ramachandran, group country manager India and South Asia, Visa said.

"Why would a bank go and deploy these machines (POS) or do KYC? To stick a QR code (at merchant points), it costs money and somebody's got to pay for it... I'm a firm believer in low economics,

**FOOTING THE BILL**

Through zero MDR, the Centre wants to accelerate the process by giving customers more options to pay digitally and gradually move away from cash

If there is going to be no skin in the game for anybody to deploy these terminals and roll them out in tier-III and IV cities, it's like saying voice is free and data is free but without the supporting infrastructure

TR RAMACHANDRAN, Group Country Manager, Visa



but no economics student can believe in no economics."

Finance minister Nirmala Sitharaman, in her Budget speech, had made a host of announcements to further New Delhi's objective of creating a less-cash economy. Zero MDR for payments on any digital channel was

one of them. "RBI and banks will absorb these costs from the savings that will accrue to them on account of handling less cash as people move to these digital modes of payment," Sitharaman had said during the speech.

It is estimated that minting, handling and accounting of cash costs the economy about 2% of the overall GDP every year. The government has been pushing both banks and consumers to transact digitally to save on these costs. The Centre, through zero MDR, wants to accelerate the process by giving customers more options to pay digitally and gradually move away from cash dependence.

"I find the logic a bit fallacious because cost of (replacing cash by digital) is not free. They (RBI) incur a cost of ₹26,000 crore per annum to set up apparatus of cash, and therefore, if the consumer, the government and the merchant are saving on these costs, a sliver of it can be passed on to those building the infrastructure," reasoned Ramachandran.

He, however, pointed out that the move won't impact payment gateways such as Visa and Mastercard as the technological service provided by them are separate from the MDR.

## Creation of Assessment Unit

From Page 1

"Union Minister of Finance and Corporate Affairs Smt. @nsitharaman received the report submitted by Shri Akhilesh Ranjan, convenor of the task force constituted by the government to draft New Direct Tax Law, in New Delhi today," the finance ministry tweeted.

One of the persons cited above said the task force has mooted separate treatment for startups that should be different from that of a normal company among various business-friendly proposals. There is an emphasis on reducing litigation and making the interface of the department with taxpayers anonymous to eliminate harassment and corruption.

It has proposed the creation of an assessment unit to replace an assessing officer and a separate jurisdiction-free, anonymous assessment by domain experts with the involvement of senior officials.

The committee has taken into account developments in international tax practices and looked at ways of aligning the country's tax law to deal with the new economy. It has also suggested a rejig of the framework for individual taxpayers to lower the overall tax burden and reduce compliance requirements while proposing a less-complicated tax regime for businesses with fewer exemptions. The task force has also favoured allowing public

rulings on tax issues for taxpayers.

**LOWER CORP TAX RATE**

The government is already transitioning to a 25% corporate tax regime and 99.9% of companies are now covered, leaving only those with a turnover of over ₹450 crore out of this simpler system. The thinking is that the rate needs to be further lowered to 20%, on par with that in rival investment destinations.

The capital gains tax regime, minimum alternate tax and dividend distribution tax have also been reviewed by the task force. However, details of specific recommendations on these were not known. The report, which contains a draft Income tax bill with fewer sections, will be made public soon after Sitharaman studies it, said the person cited above.

The recommendation on surcharges comes at a time when an increase in the super-rich surcharge in the budget has become a subject of debate. Foreign portfolio investors who were hit by the increase have lobbied heavily against it, prompting another look at the move.

The finance minister had in the budget increased the surcharge levied on top of the applicable income tax rate to 25% from 15% for those with taxable incomes between ₹2 crore and up to ₹5 crore, and to 37% for those earning ₹5 crore and more, taking the effective tax rate on them to 39% and 42.74%, re-

spectively.

This increased surcharge impacts individuals, Hindu Undivided Families (HUFs), trusts and associations of persons (AOPs), FPIs, sovereign wealth funds and alternative investment funds structured as trusts or AOPs are covered by this. As many as 40% of FPIs are said to have been impacted by the increased tax.

**SURCHARGE & CESS**

"Surcharge and cess complicate the tax calculations especially for tax-deduction purposes and also add to unnecessary disputes," said Vikas Vasal, national leader-tax, Grant Thornton in India. "Similarly, in case of cross-border transactions also, this adds to complications. Therefore, for simplicity and ease of compliance, the tax rates should subsume the surcharge and cess."

The task force included chartered accountant Girish Ahuja, EY India chairman and regional managing partner Rajiv Memani, tax advocate Mukesh Patel, Mansi Kedia of the Indian Council for Research on International Economic Relations, and retired Indian Revenue Service officer and advocate GC Srivastava as members. It was set up after Prime Minister Modi, during the annual conference of tax officers in September 2017, observed that the Income Tax Act, 1961, had been drafted more than 50 years ago and needed to be revamped.

## Women-friendly Initiatives

From Page 1

"The percentage increase is a result of consistent efforts, over the years, to ensure much-needed gender diversity in the classroom, which in turn will lead to an increase in the representation of women in the board rooms," said an ISB spokesperson.

Unlike other B-schools, the average age of students at ISB is about 25-27 years and the institute has taken several women-friendly initiatives at the campus. These include family friendly accommodation and facilities such as a crèche and day-care for young mothers. All students, including women, stay on ISB campus with their families.

ISB's scholarship policy is both need-based and merit-based. For instance, ISB alumnus and former vice president of WhatsApp, Neeraj Arora, has instituted a perpetual merit-cum-need based scholarship for a deserving woman student. There is pressure from recruiters too. "With a strong business case for inclusion and diversity in business leadership, recruiters are increasingly relying on top B-schools to prepare the next ge-

neration of trained female managers," said SPJIMR's George. EY, a regular talent-shopper at both IIMs and other B-schools, said the trend is encouraging.

"Female student representation in business management courses is increasing and for us it is important to provide them with a level playing field. We have strengthened our efforts in this direction by introducing 'recruiter-HER' — our 360 degree approach to gender diversity," said Sandeep Kohli, partner and talent leader at EY India. BigBasket, a regular visitor at Indian campuses, is trying to improve gender diversity at all levels of the hierarchy.

"We have been taking a very thoughtful approach to gender diversity, which is about getting a good balance between the masculine and feminine side of every individual, man or woman.... With this thought process, we hire women at all levels including those from campuses," said TN Hari, head HR, BigBasket.

This year, MDI Gurgaon has enrolled a record number of women — 119 out of 419 — compared with 82 women in a total intake of 360 students last year.

## 'Maruti has Cut 3,000 Temporary Jobs'

From Page 1

Automakers are reeling under the worst slowdown in the market in about two decades. Passenger vehicles sales dropped nearly 31% in July, the sharpest fall since 2000. Including other segments like commercial vehicles and two-wheelers, the fall was almost 19%. At Maruti Suzuki, the country's largest passenger vehicle maker, sales fell 36% from a year earlier in the past month.

Manufacturers are resorting to plant shutdowns to adjust inventory to the weak demand, which has led to job losses in the industry. Across vehicle and component manufacturers and distributors, some 350,000 people are estimated to have lost jobs in the past few months.

Bhargava said Maruti Suzuki had cut around 3,000 temporary jobs.

"When contracts of temporary workers expire it is not renewed, especially during the downturn," he said. "However, this is a part of the business, when demand soars, more contract workers are hired..."

Slowdowns are cyclical and businesses are used to that, but the one the industry is undergoing now is different from those of 2008-09 and 2013-14, Bhargava said.

Higher insurance costs as well as introduction of stringent safety and emission rules have increased the cost of purchasing a car by as much as 10%, further dampening demand when buyer sentiment is already low due to the economic slowdown. The problem was compounded by a crisis in the nonbanking finance sector, a major financier to the auto industry.

Bhargava said if banks increased credit availability to consumers as well as dealers, it

would help improve the situation.

**EASIER TAX RATES**

The Maruti Suzuki chairman also echoed a demand that industry executives have been raising: easier tax rates. He, however, said the government could do that with riders. "Personally, we would like to see GST benefits linked to greener and cleaner cars... Hybrid vehicles are 25-30% more efficient (than petrol- or diesel-powered ones); it (hybrid technology) will help reduce import of oils... It costs extra to make these cars and there should be some incentives to promote their use," he said.

Rolling back higher road tax by states and deferring the proposal to raise vehicle registration charges would also help, he said. Bhargava said the slowdown in the automobile industry

## Lanco Thermal Power Gets Financial Claims Worth ₹24,000 crore

PTI

**BANKS IN ACTION**  
 LENDERS INCLUDE Andhra Bank, ICICI Bank, Axis Bank, Canara Bank and IDBI Bank  
 RESOLUTION PROFESSIONAL has received such claims, submitted by financial creditors of Lanco Thermal  
 PARVEEN BANSAL, designated partner of AAA Insolvency Professionals, was appointed as RP

Salkat.Das1@timesgroup.com

Mumbai: Lanco Thermal Power, the holding company for investments in thermal power plants by Lanco Group, has received financial claims of ₹24,000 crore, said two people with direct knowledge of the matter.

Among the 15-20 lenders to the company are Andhra Bank, ICICI Bank, Axis Bank, Canara Bank, and IDBI Bank, sources said. The NCLT's Hyderabad chapter admitted the case for insolvency proceedings on May 9 this year. Andhra Bank moved the petition under the Insolvency and Bankruptcy Code.

Parveen Bansal, designated partner of Delhi-based AAA Insolvency Professionals LLP, was appointed the resolution professional. Bansal confirmed the quantum of financial claims to ET. Emails sent to individual lenders remained unanswered. Axis Bank declined to comment.

About 99% of the claims have been submitted by banks/financial institutions marked as indirect lenders, which extended loans to holding, subsidiary and associate companies. Most of these companies are undergoing insolvency process or are under liquidation. Direct lenders, with 1% of the claims, loaned funds to the holding company.

"The corporate debtor secured these loans by extending corporate guarantee or by pledge of share investments," an executive linked to the resolution process said. Lanco Thermal Power also invested in a 10MW hydel plant located in Himachal Pradesh.

With no single bidder officially submitting any interest to buy all the assets, lenders may have to wait for liquidation to receive their dues. Bids were sought on July 24. "Preliminary interest has been shown by investors for submission of expression of interest. Nothing can be said at this stage about their seriousness for investments," Bansal told ET.

## Corp Tax for Large Cos to be Gradually Cut to 25%: FM

PTI

New Delhi: Finance Minister Nirmala Sitharaman on Monday said corporate tax rate for companies with over ₹400 crore turnover will be gradually cut to 25 per cent and the government will support wealth creators. In her maiden Budget last month, she had cut corporate tax for companies with annual turnover of up to ₹400 crore to 25 per cent from 30 per cent earlier.

In 2018, the then Finance Minister Arun Jaitley had cut the corporate income tax rate to 25 per cent for companies with a turnover of up to ₹250 crore.

Speaking at an event here, Sitharaman said the theme of this year Budget Ease of Living and every policy and scheme have been designed with that guiding principal in the mind.

"I would like to underline the fact that we are conscious of that the Indian entrepreneurs are the ones who have been the wealth creators, job creators of this country... we are proud of them and we shall keep supporting them. Every attempt of the government will be towards promoting them, to understand them and also to facilitate them," she said.

That is the spirit with which many of the things have been announced and that is why the corporate tax was brought down, she added.

In a bid to align corporate tax with the global standard, former Finance Minister Arun Jaitley had announced reduction in tax from 30 per cent to 25 per cent in phased manner.

"Only 0.7 per cent are left... Even for them gradually, hopefully in the long run, we will be able to bring down the tax to the level of 25 per cent," she added.

She did not give a timeframe for the reduction.

Echoing Prime Minister Narendra Modi's Independence Day speech, she said Indian wealth creators, entrepreneurs will begin all kind of support.

Modi had in his Independence Day address to the nation on August 15 had extolled the role of wealth creators and said they must not be viewed with suspicion. "Indian wealth creators, entrepreneurs should be extended all kinds of support and tax is one of the foundations... we should have more facilitating rates rather than suffocating rates of taxation. We are doing many such things," Sitharaman said.

# Agri, Rural Labour CPI Base Year to be Revised to '19-20

## A New Measure

Govt to rellg consumer price index for agricultural/rural labourers

CPI AL/RL base year to become 2019-20, from 1986-87

- Consumption basket to undergo significant change
- Weightage on food items to go down in new Index
- Weightage on health and education to increase
- Separate index for all states and UTs being prepared

New index may mean higher MGNREGA, minimum wages



## Clearer Picture New index may be ready early next year

Yogita.Sharma@timesgroup.com

New Delhi: The Labour Bureau has kick-started the exercise of revising the base year for consumer price index for agricultural and rural labourers (CPI-AL/RL) to 2019-20, from 1986-87, besides developing an index for all states and Union Territories (UTs).

The index is used for determining minimum wages and those for the government's rural jobs programme under the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA). A senior government official told ET on condition of anonymity that the new index will be ready early next year. "We will do a parallel comparison for a year to arrive at a linking factor before we officially release it for public use in February 2021," said the official.

As with other CPIs, the consumption pattern of agricultural labourers has changed. The new index will take into account significant change in the consumption basket over the past three decades and could result in upward revision in MGNREGA wages as well as minimum wages that will be determined under the Code on Wages.

Currently, CPI-AL/RL with 1986-87 base is available for only 20 states. As a practice, states or UTs with no dedicated index often use the index of neighbouring states to determine their minimum or NRE-

GA wages. However, Sikkim, for one, had recently refused to use the index for West Bengal, saying there is significant difference in the states' consumption baskets. Hence, there has been a demand from some states and UTs that the government determine a separate index for each of them, depending on their consumption basket, and revise the base year to reflect the current pattern of consumption.

"We hope to address both these issues with the new index. The Labour Bureau is already halfway through in putting in place the revised index," said the official cited earlier. "We have already identified the shops, markets and products that will be taken into account for compiling the index." Another official said the new index will see the weightage of food items going down, while expenditure on education and health will rise.

The National Sample Survey Organisation is currently conducting a family expenditure survey for agricultural labourers to get the consumption pattern, which will be used by the Labour Bureau.

The CPI basket combines over 45% expenditure on food and beverages, 10% on housing, over 6.8% on fuel and light, 6.5% on clothing and footwear, and 18% on miscellaneous expenditure, including on education and health.

### Monsoon Watch

Monsoon continues to be very strong in many parts of India

Parts of Punjab, Haryana and Himachal Pradesh continue to receive very heavy rainfall

Total rainfall since June 1 is 2.4% more than average

A cloudburst caused very heavy rainfall in parts of Uttarakhand

Southern India received rainfall 80% above normal for this month

The south peninsular region may witness heavy rainfall

Temperatures in Vidarbha region rise 5°C above normal

### CURRENT WEATHER AND FORECAST

Heavy rainfall is likely to continue in Uttarakhand

Madhya Pradesh is expected to see widespread rainfall

Some regions in the east will continue to see heavy rainfall due to a low pressure area

# Sugarcane, Cotton, Apple Crops Hit by Late Rainfall pan-India

Damage yet to be assessed but economists feel rain may have positive overall impact

Rituraj Tiwari, Jayashree Bhosale and Parshant Krar

New Delhi | Pune | Chandigarh: Torrential rains have swamped sugarcane fields in Maharashtra and Karnataka, which will reduce production and cause losses to farmers but won't impact the heavily-stocked sugar market.

The spurt in monsoon has also inundated oilseed and cotton fields in western and central India, and affected apple production in the north around the time the fruit has matured to the plucking stage.

Rainfall in August has been about one-third more than average across the country, while the north has seen exceptionally heavy showers in recent days. The good news from the weather office is that rainfall will now moderate in northwest, southern and central regions.

Preliminary estimates by Maharashtra's agriculture department show 4.17 lakh hectare — about half of which is in Kolhapur, Sangli and Satara — was flooded this season. This has damaged sugarcane, horticulture crops and turmeric.

Cane cultivation was already down 28% in the state because of dry weather earlier in the season, and the flood will further reduce availability. "Sugar mills from these districts will definitely face shortages of sugarcane. But we cannot quantify it right now as the surveys are

still being carried out," said Sanjay Khatal, managing director, Maharashtra State Cooperative Sugar Mills Association.

PG Medhe, honorary adviser at Shri Chhatrapati Rajaram SSK, Kolhapur, said, "The sugarcane crop that has been submerged till the top for many days is unlikely to survive. I have not seen floods like this in 73 years." Ankush Chormule from Ashta in Sangli, said, "It is a loss of minimum ₹30,000 per acre for those farmers who had planted cane recently."

Indian Sugar Mills Association had earlier estimated a 20% drop in production to 28.2 million tonnes, after a record output of around 33 mt in the 2018-19 season. "Now the output will further decline with two major sugarcane producing states hit by floods. We have not yet estimated

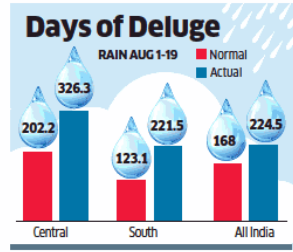
the exact losses. But there will be no shortage of sugar as we have enough stock," said an industry executive.

Waterlogging in Punjab's cotton fields is likely to hit production as the crop has been submerged for days on the eve of the harvest. "We had conducted meeting of officials in cotton area to spread advisory to farmers to salvage crops from heavy rain and message had been sent through WhatsApp to ensure necessary precautions," said Sutantra Kumar Airy, director, Punjab agriculture department.

Floods in parts of Bihar, West Bengal, Assam and Odisha have damaged paddy but remedial measures can be taken. "In these flood-prone states, farmers can compensate the loss with late varieties cultivated in nurseries. So, it is unlikely to affect output," said a senior agriculture ministry official, adding that states had not reported crop damage. He said floods can help rejuvenate degraded soil.

The planting of soyabean and cotton in Madhya Pradesh and Maharashtra also suffered due to excessive rains. However, there is no report of much damage to groundnut sown in Kutch and Saurashtra regions of Gujarat, which also received heavy rainfall during last week.

"Overall, late surge in rainfall after a dry June has done good to agriculture. Output is likely to be marginally better than last year," said DK Joshi, chief economist, Crisil.



# No Debenture Redemption Reserve for Listed Firms, NBFCs, HFCs

Move is aimed at creating a level playing field and lowering cost of capital

Our Bureau

New Delhi: Aiming to reduce cost of capital for businesses, the government has removed the requirement that listed companies, non-banking financial companies (NBFCs) and housing finance companies (HFCs) maintain a debenture redemption reserve (DRR).

According to a notification issued on Monday, these companies will now be exempt from creating a DRR — pegged at 25% of the face value of debentures, whether public issues or private placements — under the Companies (Share Capital and Debentures) Rules. For unlisted companies, DRR requirement has



## Keep It Ticking

For unlisted companies, the DRR requirement has been reduced to 10% from 25%

been reduced from 25% to 10%.

This is part of a larger agenda to increase access to capital for Indian business and alleviate the liquidity crunch that NBFCs have been facing since one year. "This move is aimed at creating a level playing field between NBFCs, HFCs and listed companies on one hand, and between them, banking companies and all-India financial institutions on the other, (the latter being) already exempt from DRR," noted the release.

Finance and corporate affairs minister Nirmala Sitharaman had announced the government's intent to remove the DRR requirement, which has been considered a stumbling block to NBFCs raising money from public bonds.

The release also stated that this move was part of the efforts to provide greater ease of doing business to companies as part of the government's 100-day action plan. It is anticipated that cost of capital for companies issuing debentures will be lower and the bond market will deepen.

Sector experts said the move will help create funds with companies for other capital requirements. "The easing of the requirement related to creation of DRR will certainly provide companies with additional funds for various capital needs, and will also reduce overall cost of borrowing," said Ankit Singh, partner at law firm Corporate Professionals.

The government had eased rules around the issuance of shares with differential voting rights last week.

EASTERN RAILWAY			
E-Tender Notice No.: NIT/02/19/16		Dated : 16.08.2019	
Controller of Stores, Eastern Railway invites e-tenders for supply of the following items:			
Sl No.	Tender No.	Description	EMD (₹)
Tender Opening Date: 29.08.2019, Time : 13.30 hrs.			
1	08191036	Procurement of Silicon Rubber Compound specification/Drg. No. Hitachi Specn. No.-A-0113 Alt. A. etc.	1,38,700
2	08191482	Procurement of 100VA Individual Static Inverter etc.	60,910
3	08191486	Procurement of Battery Box Cover	58,780
Tender Opening Date: 02.09.2019, Time : 13.30 hrs.			
4	01181022B	Procurement of Non-Skid Monolithic Polymerized floor topping compound, Colour-Electric Blue (5411) of Dulex Weather Shield to Specn. No. RDSO/C-9704 of Aug. 1997.	1,09,030
5	05191008	Paint Enamel Synthetic Exterior Finishing Black	1,57,480
6	05191227A	Procurement of Transformer Oil etc.	1,03,900
7	08191018	Procurement of 19 Core Jumper Cable for EMU/MEMU etc.	93,910
8	08191023	Procurement of PTFE Bush for Traction Motor Armature etc.	52,680
9	08191027	Procurement of Uniform phlogophite mica tape laminated on glass cloth etc.	88,830
10	08191029	Procurement of Silicon elastomer impregnated glass tape (Bias cut) for Magnet Frame etc.	50,720
11	08191062	Procurement of V-deep groove axle pulley for 4.5KW brushless alternator etc.	62,490
12	08191113	Procurement of Condenser Fan Motor etc.	47,740
13	08191119	Procurement of Aluminium Conductor Welding Cable (HOFR Covering) Cable Size in Sq.mm. 95 etc.	81,560
14	08191542	Procurement of PVC insulated copper cable, size: 6 sq.mm. etc.	42,960
15	10192404	Procurement of Cab Window Assembly (Self Balancing Type) etc.	1,66,460
16	19191062	Purchase of glass fibre bag filter large etc.	1,42,670
17	20191079	Procurement of Schaku Coupler of EMU coaches items etc.	17,10,320
Tender Opening Date: 04.09.2019, Time : 13.30 hrs.			
18	08171086A	Procurement of 6 Volt 120 AH capacity VRLA Battery	3,29,720
19	19191049	Purchase of high capacity loco side buffer	68,230
20	19191571	Purchase of Kit of brake rigging etc.	79,230
21	19191579	Purchase of axle box complete etc.	32,000
22	21195006A	Procurement of Upgraded high tensile centre buffer coupler etc.	7,83,550
Tender Opening Date: 05.09.2019, Time : 13.30 hrs.			
23	08191081A	Procurement of Low maintenance Lead acid battery for 2V, 800 AH Capacity etc.	1,53,560
24	08191096	Procurement of Water Raising 3-Phase Horizontal Centrifugal Self Priming Monoset Pump	57,430
25	11181079	POH Kit for M/S. Gabriel India Ltd. Make Shock Absorber 600 kgs for coaching stock etc.	2,65,860
26	16185002C	Procurement of Jointless Grooved Copper Contact Wire etc.	10,00,000
27	19191075	Procurement of flexible hoses etc.	33,950
28	19191528	Purchase of snubber assembly etc.	53,370
Tender Opening Date: 06.09.2019, Time : 13.30 hrs.			
29	14171158A	Procurement of Relay QBA1 etc.	56,000
30	14181133A	Procurement of Lifting Barrier 8 mtrs. & 10 mtrs. etc.	51,440
31	19191076	Purchase of set of flexible hoses etc.	41,300
32	21181370A	Procurement of Cast Steel Bolster for Casnub 22 HS Bogie etc.	1,15,200
33	21191018	Procurement of cast steel bolster for Casnub-22 NLB Bogie etc.	1,46,290
Tender Opening Date: 09.09.2019, Time : 13.30 hrs.			
34	08191059	Procurement of 4.5 KW alternator including rectifying cum regulating equipment etc.	3,83,260
35	10191092	Set of Modified Trunion Assy.	47,080
36	10191142	Momentary Contact Limit Switch etc.	36,940
37	10191144	Programme Switch (HVS) for locos etc.	42,400
38	10191922A	Procurement of set of F.S. all steel lock nut for USE on 3-phase loco etc.	7,03,740
39	11191074	Procurement of Kit for Brake Gear Bushes for BMBC coaches	4,52,520
40	14191098	Procurement of - Route Led Signal Lighting Unit, 110V AC, Etc.	1,62,530
41	14191099	Procurement of - Red Aspect Main Led Signal Lighting Unit 110V AC etc.	2,78,230
42	14191100	Procurement of - Green Aspect Main Led Signal Lighting Unit, 110 Volt AC, Retrofittable in existing CLS Housing and compatible with AC led ECR. etc.	2,66,820
43	14191101	Procurement of - Yellow Aspect Main Led Signal Lighting Unit, 110V AC etc.	3,29,570
44	14195059	Procurement of Report Printer, Detailed in Annexure-A enclosed	59,010
45	15195071	Slewing Ring and Fasteners etc.	9,98,120
46	15195080B	Completely fabricated components of machine plate	20,00,000
47	19181675	Procurement of flexible coupling EMD type etc.	62,790
48	19191011A	Purchase of side bearing rubber pad etc.	64,060
49	20191020	Procurement of set of Nylon Bushes for EMU/Motor Coach consisting 09 nos. items etc.	65,140
50	20191130	Procurement of Moving & Fixed contact of Aux. switch for EM Relays (ARR, SR, ETC.) etc.	32,780
51	20191131	Procurement of Piston Seal (Modified) etc.	59,900
52	20191730A	Procurement of Lock Out Glass etc.	34,910
Tender Opening Date: 12.09.2019, Time : 13.30 hrs.			
53	11195008	Procurement, supply & installation of Braille signage in coaches etc.	2,86,960
54	21191093	Procurement of Auxiliary Reservoir Suspension strap etc.	33,850
55	21191116	Procurement of Cut off Angle Cock with vent etc.	59,110
56	21191379	Procurement of striker casting wear plate etc.	1,44,240
Tender Opening Date: 13.09.2019, Time : 13.30 hrs.			
57	11191022	Procurement of Outer Secondary Spring for Generator Car etc.	2,65,570
58	11191505	Procurement of Secondary spring outer etc.	1,36,780
59	14181122	Procurement of 24 port rack mountable switch	74,480
60	14181139B	Procurement of Relay ACI QBCA1 etc.	45,310
61	21191381	Procurement of coupler body and shank wear plate etc.	20,00,000
62	21191441	Procurement of Door Way Cross Bar Pressing with back plate and packing piece etc.	3,43,860
63	21191473	Procurement of Secondary Brake Beam Assembly for BMBS Bogie etc.	68,830
64	21195012B	Procurement of under frame brake gear arrangement etc.	2,07,360
Tender Opening Date: 16.09.2019, Time : 13.30 hrs.			
65	05191046	Procurement of Oil Hydraulic to IS: 10522/83, VG-46 etc.	32,640
Tender Opening Date: 17.09.2019, Time : 13.30 hrs.			
66	15195074	Chain Sling	73,080
Tender Opening Date: 20.09.2019, Time : 13.30 hrs.			
67	11191106	Over Head Aluminium Water Tank Assembly (455 litres) etc.	1,87,930
68	11191775	Flange Coupling set consisting of 11 items etc.	1,09,590
Tender Opening Date: 01.10.2019, Time : 13.30 hrs.			
69	11191011	Procurement of Bolt and Nut complete etc.	31,550
70	11191015	Procurement of Hex Head Screw etc.	40,240
71	11191136	Procurement of Felt Ring for Roller Bearing arrangement etc.	33,510
72	11191561	Procurement to Wall Protector Complete for Lavatory Pan etc.	31,440
73	11191669	Procurement of lower spring beam arrangement etc.	38,880
74	11191771	Procurement of collar finish machined etc.	78,290
Tender Opening Date: 03.10.2019, Time : 13.30 hrs.			
75	11191082	Kit for Hose connection dia 15 x 500mm long with extra fittings consisting of 02 items etc.	59,930
76	11191089	Polyvinyl expansion angle moulding (for coaching stock) etc.	53,480
77	11191523	Smoke Detector and Fire Alarm system etc.	54,270
Tender Opening Date: 04.10.2019, Time : 13.30 hrs.			
78	11191061	Draw Hook Beam etc.	42,390
79	11191086	Kit for Suspension Strap for single reservoir for 200 ltrs. with Hex Nut, Thin Nut, Spring Washer & Split Pin etc.	48,350
80	11191088A	Stainless steel moulding inlay complete set for GSN coaches lavatory etc.	38,600
81	11191166A	Stainless steel moulding inlay complete set.	38,600
82	11191467	Natural & Artificial fibre thermostat composite (NAFTC) sheets for roof panelling of Railways Passenger coaches etc.	83,610
83	11191686	Procurement of Bush for 16T Equalising Stay arrangement etc.	47,970
Tender Opening Date: 10.10.2019, Time : 13.30 hrs.			
84	21191042	Procurement of Hand Brake Cable assembly etc.	1,05,740
Tender Opening Date: 16.10.2019, Time : 13.30 hrs.			
85	21191390	Procurement of Yoke Pin Support etc.	5,35,240
86	21191391	Procurement of Striker Casting (BG) with wear plate etc.	4,52,460
Tender Opening Date: 04.11.2019, Time : 13.30 hrs.			
87	08191065	Procurement of LED type emergency lighting system etc.	3,57,640
88	08191079	Procurement of Battery box for conventional coaches etc.	2,45,380
89	08191103	Procurement of Axle Pulley assembly for 25KW brushless alternator suitable for 16.25 ton axle etc.	4,89,500

Note: All above mentioned tenders are e-tenders and all tenders are requested to submit their bids online through the IREPS website at <https://www.ireps.gov.in>. For more details regarding the above mentioned tenders and other supply tenders please visit IREPS website. (STORES-28/2019-20) Tender Notices are also available at website: [www.e.railindianrailways.gov.in/www.ireps.gov.in](http://www.e.railindianrailways.gov.in/www.ireps.gov.in)

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THE ECONOMIC TIMES
Mumbai Mirror
महाराष्ट्र दूरदर्शन
NBT
नवभारत टाइम्स
कैलाश
वाराणसी



THE SPEAKING TREE

## Stay Calm and Cool

SEEMA BURMAN

Even a little change in routine disturbs us — it could be illness, a stalled promotion, or absence of domestic help. It is easy to be calm when things run according to schedule, but when things go haywire, our mental equilibrium is shaken. The weak ones are driven to self-destruction while strong personalities remain even-minded and emerge successful. The Little Prince proved he was made of stronger mettle. Krishna recited the Bhagwad Gita to warrior-prince Arjuna in Kurukshetra and explained to him the importance of being calm in all circumstances. Swami Ranganathananda explained that this is only a very external part of that wonderful term, *sithaprajna*, person of equanimity. The essential meaning is being deeply thoughtful. Blind attachment, fear and anger are three emotions that cause us to get caught in the karmic cycle of life. There is no escaping this cycle till we become *sithaprajna* and are freed from 'raga, bhava and krodha'. We get emotionally attached to things, people and circumstances, and any disturbance in the object of our attachment destroys our mental peace. Fear of past, present and future compromises our personality forever. We are unable to think and act calmly in the present. Fear disables one, preventing one from leading a normal life. One must be afraid of crossing a busy road, of venturing out alone at night in an unknown place. That is rational fear. Irrational fear must be avoided as it makes people weak morally. 'Fearlessness is virtue. Fear is asin,' said Swami Vivekananda.

# Structural Woes Call for Policy Action

Slowdown demands politically tough reform

We ran 12 articles on this page over the last two weeks, dissecting the economic slowdown. The overwhelming conclusion is that it is both structural and cyclical, with the structural element dominating. Cutting policy rates will help, but monetary measures are not sufficient. Decisive policy action is required to make the economy competitive in the global market, to boost investment and allow savings to be mediated to investment.

To make Indian producers more competitive in the export market — India's share of global exports is just 1.7% — wage must become more competitive and labour, more productive, land prices must come down, capital must be cheaper, and tax rates come down and become stable while exemptions are extirpated, and policy must become predictable. The structural reform as has taken place — GST, the Insolvency and Bankruptcy Code, Real Estate (Regulation and Development) Act, putting an end to camouflaging bad loans, bringing down the level of inflation via fiscal restraint and monetary policy, improving the ease of doing business — is welcome, but much more remains to be accomplished. People must be asked to pay for the power they consume — financial engineering can postpone the day of reckoning of unpaid power dues, not mitigate it. Subsidies that distort incentives cause misalignment of crops and agroclimatic zones, hurting the farm sector. Water-guzzling crops are grown in arid regions and excess rice and wheat produced, only to rot in government godowns, while degrading the soil on which these are grown. Excessive protection from import competition keeps Indian industry uncompetitive. Paucity of urban land increases overhead costs for everything, from schools and hospitals to factories and offices.

The towns planned under the Delhi-Mumbai Industrial Corridor must be completed soon, both to generate demand and create urban infrastructure. A vibrant bond market must be built, as the most viable source of long-term funds for infrastructure. Most of these call for policy, rather than fiscal, action.

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# Das' Appeal to Not Gloss Over Matters

Having his every word recorded and reported, dissected for hidden meaning, analysed for implications and pounced upon by critics is an occupational hazard for the RBI governor. So, Shaktikanta Das is very likely to have been prepared for the media attention given to his quite reasonable observation that a 'mood of gloom and doom [about the economy] is not going to help anyone'. He also added that his appeal to refrain from blanket pessimism hardly meant maintaining 'a Panglossian attitude' — referring to that classic caricature of runaway optimism, Professor Pangloss, from Voltaire's *Candide* — and 'smiling away every difficulty'. All he wished to convey was the message that economic agents should not be unduly pessimistic.

Economic agents would, indeed, better serve themselves and the economy by looking for opportunities in the gloom. After all, the lighting industry is a product of darkness. Further, he is right about his assurance that liquidity would not constrain growth. After all, the banks returned ₹2 lakh crore to the RBI as surplus liquidity and money market rates have ruled below the repo rate. He is also right to spot problems in the mediation of savings to users of capital. The banks are reluctant to lend and have passed on only a fraction of the reduction in the rates at which they can access liquidity from the RBI to their borrowers. However, the implied portrayal of banks as the villains of the slowdown story is simply wrong. Banks lend when there is demand for credit and when lending decisions are not seen as potentially criminal acts that need to be investigated by the CBI and the Enforcement Directorate. Neither condition exists.

The government has to step in with corrective policies, to address both deficiencies. Mere optimism, like mere negativity, does not go very far.

Prime Minister Narendra Modi urges people to do a Bharat darshan

# Making a Pitch for a Peripatetic India

According to the sceptic, a tourist was someone who, having nothing to do in the place of residence, goes somewhere else to do it. Though it has become an international money-spinner, mass tourism of the 'if-it's-Tuesday-it's-got-to-be-Belgium' has earned for itself an increasing share of detractors and critics, on environmental and other grounds. In Italy, for example, municipal authorities in a number of cities are levying hefty fines on visitors for doing typically touristy things, like sitting on the iconic Spanish Steps in Rome, or having a splash in the Eternal City's Trevi Fountain.

However, brushing aside such spoilsport negativity, in his Independence Day address to the nation, Prime Minister Narendra Modi urged his compatriots to give domestic tourism a boost by visiting at least 15 travel-worthy places in the country by 2022, when India celebrates its 75th year of Independence. Like the 'Make in India' mantra, the nudge to get the nation on the move might be awarded a tag, like 'Trip in India'. Indeed, the PM may already have, inadvertently or otherwise, kick-started the project by holding his 'Man vs Wild' interview with presenter Bear Grylls in Jim Corbett National Park, which reportedly is planning to bump up footfalls by tom-tomming the 'Modi Trail' in the sanctuary, in a move likely to be seen as a tour de force, in more ways than one.

STATE OF PLAY With ambiguity over J&K ended, China, too, is now unambiguous towards India

# A New Internationalisation?



Pranab Dhal Samanta

The consequences of Gol's decision to withdraw Article 370 may still be unfolding. But the move has indeed put an end to India's unstated policy of maintaining strategic ambivalence on the Kashmir issue.

The policy was largely informed by how India should manage the rest of the world on Kashmir. Its starting point was an admission that Kashmir could be used to leverage India. This strategy worked at two levels: domestic and external. On the external side, the effort was to create institutions and processes that conveyed the impression that democracy was taking roots, human rights were not violated, and military presence was being gradually reduced. And this was mostly an honest endeavour, regardless of who was in power.

The problem was that results were always below par. Which brings us to the policy's domestic dimension. Governments were elected in low-turnout elections — which by itself wasn't a problem, until it became the norm. Local leaders could not widen their support base. However, they remained very helpful in projecting an image of improved normalcy.

Matters came to a head when a whole new generation of stone-pelting Kashmiris took to the streets between 2008 and 2011. None of the local leaders or elected politicians could calm these protests. Delhi was left stupefied, wondering what 'azaadi' meant. At that point, it had become clear that while India could continue to maintain a positively benign external posture, the internal picture on the Valley had been disturbed, if not disrupted. The hope that a new generation of Kashmiris will take ownership and carry forward the democracy project had not quite worked.

The ground was, thus, fertile for change. Many pundits have argued that Article 370 hardly made much of a difference on the ground. It provided the basis for Article 35A, particularly special laws related to land ownership and inheritance. And that there was no need to fret over J&K, since similar provisions have been enacted by other states too.

Yes, the special status made matters cumbersome for enacting central laws. But that was dealt via the governor's office. In other words, there were potential bureaucratic solutions to any of these problems.

### No Pendulum Policy

The issue was that Article 370 became a symbol of an unfinished agenda. It was almost as if J&K was in a permanent state of transition, headed to some form of undefined special status. This gave wind to 'azaadi' slogans and purposeless militancy. What stood out in both cases was that youth were being misled by external elements that wanted to keep the Valley on the boil.

Frankly, there was nothing unique within the Indian Constitution that could be created for J&K. And for all the peace negotiations, no government in Delhi would reach a political settlement with Pakistan on how to 'jointly' govern Kashmir. So, in many ways, it was just a matter of time.

The NDA government, with its massive majority, took a call to put an end to whatever gave birth to the notion that a special carve-out was possible



Can we hold that pose?

for J&K. In doing so, Gol had to unsettle the hinges that held its external message on Kashmir.

For the first time, the outside environment did not determine Delhi's messaging to Kashmir. This time, the policy was shaped inside-out. This unsettled a long-held narrative on Kashmir that had aimed at keeping J&K away from the limelight. And it worked, because the world paid little attention to Kashmir as India grew as an economic power, became a nuclear weapon State, stitched a strategic partnership with the US, and won support for its terror narrative on Pakistan. Yet, internally, Kashmir moved in another direction, posing a domestic political question that probably could no longer be left unattended.

India's ambiguity over Kashmir also suited China, which has sharply protested the conversion of both Ladakh and J&K into Union territories. None of India's decision changed their boundaries. So why this anger?

One, China could be viewing this as a response to its Belt & Road Initiative (BRI). But much as India stands in opposition to the project, the notion is absurd and raises the question of Beijing's hidden intent. China, by coming out openly against India, has put an end to its own policy of ambivalence towards India. It's an unexpected fallout, but perhaps the most significant in strategic terms.

The list is getting longer. China thwarted India's nuclear ambitions by blocking its entry in the Nuclear Suppliers Group (NSG), supported Pakistan's nuclear weapons programme, held Pakistan's hand on terrorism, and, now, taken a strong position against India on Kashmir.

### Look Over the Great Wall

One never thought two weeks ago that Indian initiatives on Kashmir would turn into a Sino-Indian stand-off. And that's a formidable challenge. Beijing turned the heat on Moscow, which is why Russia consented to a closed-door meeting of the UN Security Council (UNSC). The fact that Russia went with China to let the meeting happen is an indication of how power equations have dramatically changed between the two countries. Britain was the other surprise package.

Looking ahead, China will wait for that one incident, or example of excess, to use the two routes available to have another go in the UNSC: peace and security, and human rights. India will have to keep tight control on the situation and not lend that moment to China and Pakistan. In other words, calm as the surface may be, the contest is very much on.

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The NDA government, with its massive majority, took a call to put an end to whatever gave birth to the notion that a special carve-out was possible for J&K

**WIT & WISDOM**

"Don't be so humble — you are not that great."

Goindra Meir Politician

## Fertility Rate

Fertility rates have shown a marked decline over the decades. In richer countries, the rates have fallen below the replacement rate (2.1), but the level is still high in poor countries. According to World Bank data, there are 38 countries where the total fertility rate is more than 4, and barring Afghanistan and Iraq, all of them are in Africa. A snapshot...

Fertility rate, total (births per woman)		
By region	1960	2017
East Asia & Pacific	5.39	1.80
Europe & Central Asia	2.83	1.75
European Union	2.58	1.59
LatAm & Caribbean	5.92	2.04
Middle East & N Africa	6.88	2.73
North America	3.67	1.74
OECD members	3.23	1.71
South Asia	6.05	2.44
Sub-Saharan Africa	6.64	4.78
<b>WORLD</b>	<b>4.98</b>	<b>2.43</b>

By income	1960	2017
High income	3.04	1.84
Upper-middle income	5.32	1.84
Lower-middle income	5.93	2.76
Low income	6.55	4.59
<b>INDIA</b>	<b>5.9</b>	<b>2.2</b>

Countries with the highest rate		
Niger	7.45	7.18
Somalia	7.25	6.17
Congo DR	6.00	6.02

## Bell Curves

■ R Prasad

Pursue your passion ruthlessly and don't give in to compassion!

## UNEMPLOYMENT RATE

# Not All Gloom'n'Doom



Arup Mitra & Jitender Singh

Going by National Statistical Office's (NSO's) Periodic Labour Force Survey 2017-18, the all-India unemployment rate stands at 6.1%. This not only means that unemployment is on the rise, but also that it's at an all-time high — the highest since 1977-78 among men, and the highest since 1983 among women. At 10.8%, the rate is higher among urban women than their male counterparts (7.1%). In rural India, the male unemployment rate at 5.8% exceeds that for women at 3.8%. That the rate is highest among urban women shouldn't come as a surprise, since many are educated and not principal earners, and can afford to wait longer for a more desirable job.

In 2017-18, the number of unemployed have more than doubled from 10.8 million in 2011-12 to 28.5 million. Before 2011-12, this number was hovering around 10 million since 1999-2000. This spike is also due to the addition of about 18 million in the labour force from 2017-18, even as only 0.5 million net jobs were added during this period.

Rural and urban dynamics show very different pictures. Between 2011-12 and 2017-18, there was a decline of about 17.7 million jobs in the rural sector, while about 18.3 million have been added in urban India. About 26.4 million people have been added to the urban labour force, while there is a decline of eight million in the rural sector during this period.

employment to cause much economic deterioration in households.

Two features stand out in this scenario of joblessness. One, acceleration in the unemployment rate has taken place across states. Goa, Manipur, Kerala, Mizoram, Nagaland, Haryana, Assam, Punjab, Jharkhand, Tamil Nadu, Uttar Pradesh, Bihar, Odisha, Tripura, Uttar Pradesh, Arunachal Pradesh, Himachal Pradesh, Jammu & Kashmir and Rajasthan have crossed the 5% unemployment rate. In fact, the unemployment rate in Goa, Manipur, Kerala, Mizoram and Nagaland has reached double digits. In 2011-12, there were only three states and Union territories — Tripura, Nagaland and Lakshadweep — which had double-digit unemployment rate.

Two, across states, variation in unemployment has narrowed down since 2009-10, indicating that deterioration on the employment front is very much evenly distributed region-wise. However, there could be another side to this story that need not be. In RBI governor Shaktikanta Das' description on Monday all 'gloom and doom'.

In a country like India, it's difficult to 'afford' staying unemployed for long. Given the availability of consumption-support schemes, particularly in rural areas, the rising opportunities for the educated young and school dropouts to migrate have raised remittance flows that, in turn, may have reduced the compulsion for non-migrants to pick up petty and low-productivity jobs.

For a long time, the situation of 'excess supplies, limited demand' was prevailing

in the informal industry, leading to large-scale underemployment and a residual absorption of labour in low-productivity activities. The wages varied widely across activities, leading to a multi-modal wage distribution within this sector, but with an average low productivity measure earnings, poor hiring conditions and lack of upward mobility. Possibly, within the informal sector, some of the jobs are now fetching higher earnings. Given the well-knit support structure, a desperation to strive hard is on the decline.

Though per-capita income, as such, isn't seen to be related to the unemployment rate across states, structural change and educational attainments do unravel a strong effect. A declining dependence on the farm sector is also associated with this spike. The association of the unemployment rate with educational attainments, and the urbanisation-unemployment nexus observed are testimony to the brighter side of India's development story.

Also, the share of the informal sector in total employment has declined, compared to earlier National Sample Survey Office (NSSO) data. The rise in the unemployment rate, when seen in this context, could suggest reduction in the desperation of workers to join the informal sector, keeping the open unemployment rate low.

While pessimism regarding joblessness indeed needs to be tackled, it is also important to pay attention to the larger issue of employment creation. Since wage employment can't be provided on a large scale, entrepreneurship must be promoted by creating a facilitating environment for startups, innovations, etc. Keeping in view the skill gaps in various activities, emphasis has to be given to vocational education and training, which can be integrated with the general education system. Instead of confining training to the initial entry level in jobs, up-skilling and re-skilling need to adjust to the requirement of the changing economy.

Mitra is professor, South Asian University, New Delhi, and Singh is member, Indian Economic Service

## Citings

# On Capital Budgeting

TIM KOLLER ET AL

Studies show that companies that actively reallocate resources outperform those that don't. In many companies, however, a range of obstacles — cognitive biases and inconsistent decision-making processes, for example — keep planning teams and senior executives from being as 'active' as they could be. Our research on how companies make investment decisions (capital expenditures, marketing and sales, R&D, and the like) suggests there are tangible ways to get better at promptly reallocating resources when the need arises. One of the main themes we heard from survey respondents is that having the right kinds of processes for making investment decisions is important — not just for clarifying who has the power to propose new projects but also to monitor how flexible the allocation of resources is over the course of a year or a project. Having the right kinds of processes for investment decision-making is important, but our experience suggests they will fail if companies' incentive structures do not reward risk-taking. Some of the managers we spoke to also cited the importance of establishing incentives to take risks and innovate. One software company convenes a committee of mid-level executives each year from different parts of the organisation — managers charged with gathering ideas for new products and features. The committee members pool, refine and share the ideas with a group of senior executives who further refine them and develop proposals.

From 'Admit It, Your Investments are Stuck in Neutral'

## Chat Room

# Peace, Normalcy are First Priority

Appropos the Edit, 'We Shall Mind Our Own J&K Business' (Aug 19), what has happened at UNSC is a small diplomatic victory for India and bigger challenges lie ahead. Bringing peace and normalcy to the Valley as early as possible is non-negotiable. There are two critical aspects of achieving this, our government will have to gradually bring investment into the Valley, and improve education so that students pick up books rather than stones. All stakeholders need to be taken into confidence as winning every Kashmiri's trust and confidence is the key.

BAL GOVIND Noida

# Cornered Pak on the Run Now

This refers to the news report, 'If We Talk with Pakistan, It will be on PoK: Rajnath' (Aug 19). By changing the engaging line with Pakistan from J&K to PoK, the Modi government has tilted the scales, which has rattled Pakistan no end. Sensing that the hunter is now being hunted, Pakistan is trying to internationalise the issue before India goes aggressive in reclaiming PoK. Now, for the seamless merger of J&K into mainstream India, the government will have to roll out a plan for education, employment and development, and show its intent and purpose meaningfully.

ANUPAMA GOSWAMI Mumbai

# It's Time to Guide the Wide World

Appropos 'Tell Our Green Story, ALOUD' by Seema Shrofi (Aug 19), the Climate Action Summit at London on September 23 must turn out to be a decisive event. While India has emphasised on repairing the damage done in the past, the world community doesn't seem to have a concrete plan in place. We must focus on other objectives too, such as sustainable development. With the US taking an indifferent stance on the issue of climate change, India has a golden opportunity to lead the way for the world community.

ATHARVA KAJWAADKAR By email

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



Watch this space

QUICK HITS

**Sudan's Bashir Got \$90 M from Saudi Royal Family Members**

**Khartoum:** Omar al-Bashir received \$90 million in cash from Saudi royals, an investigator told a court at the opening of the deposed Sudanese strongman's corruption trial on Monday. The former president, who was forced from power by months of protests in April after 30 years in power, sat in a metal cage wearing a traditional white gown. Bashir faces a raft of charges of war crimes, crimes against humanity and genocide from the International Criminal Court over his role in the Darfur war but Monday's trial is over graft allegations. AFP

**Germany Warns of Possible Recession, Mulls Stimulus**

**Frankfurt:** The German economy could enter a recession in the third quarter, the Bundesbank warned on Monday, as the debate on government measures to support the economy swelled in Berlin. "The economy could contract again slightly" this summer, Germany's central bank said in its monthly report, following a 0.1% decline in gross domestic product (GDP) in the second quarter. "According to data currently available, industrial production is expected to shrink markedly in the current quarter as well." AFP

**Iran Warns US Not to Seize Released Tanker**

**Tehran:** Iran warned the US against apprehending a super-tanker carrying the Middle East country's oil, leaving the fate of the vessel uncertain as it sailed east into the Mediterranean Sea from Gibraltar, where it had been detained since last month. The tanker left Gibraltar Sunday night after being detained there since early July, when British forces seized it on suspicion of carrying oil to Syria in violation of European sanctions. Bloomberg

**Notre-Dame Works Resume in Paris After Lead Score**

**Paris:** French workers on Monday resumed efforts to secure the cathedral of Notre-Dame following the devastating April fire, after a three-week pause due to the risk of lead contamination. France's culture ministry told AFP that the works had resumed at 0500 GMT with around 50 people involved. Restoration of the cathedral after the fire has yet to begin, with efforts focused entirely on securing the building. AFP

**Trump 'Not Ready' for China Trade Deal, Dismisses Recession Fears**

Says there is little risk of recession despite a volatile week on global bond markets

**Washington:** US President Donald Trump and top White House officials dismissed concerns that economic growth may be faltering, saying on Sunday they saw little risk of recession despite a volatile week on global bond markets, and insisting their trade war with China was doing no damage to the United States.



Donald Trump

"We're doing tremendously well, our consumers are rich, I gave a tremendous tax cut, and they're loaded up with money," Trump said on Sunday.

But he was less optimistic than his aides on striking a trade deal with China, saying that while he believed China was ready to come to an agreement, "I'm not ready to make a deal yet."

White House economic adviser Larry Kudlow said trade deputies from the two countries would speak within 10 days and "if those deputies' meetings pan out... we are planning to have China come to the USA" to advance negotiations over ending a trade battle that has emerged as a potential risk to global economic growth.

Even with the talks stalled for now and the threat of greater tariffs and other trade restrictions hanging over the world economy, Kudlow said on "Fox News Sunday" the US remained "in pretty good shape".

"There is no recession in sight," Kudlow said. "Consumers are working. Their wages are rising. They are spending and they are saving."

Their comments follow a week in which concerns about a possible US recession weighed on financial markets and seemed to put administration officials on edge about whether the economy would hold up through the 2020 presidential election campaign. Reuters

Financial markets and saying on Sunday, "I don't think we're having a recession."

A strong economy is key to the Republican president's 2020 reelection prospects. The economists have previously expressed concern that Trump's tariffs and higher budget deficits could eventually dampen the economy. AP

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**US Internet Giants Back Trump's Probe into French Tech Tax**

**Washington:** The relationship between President Donald Trump and the largest US technology companies has often been frosty but a common opponent — France's plan to tax US tech giants — will bring the two sides together, at least temporarily.



Representative Robert Lighthizer could take action as soon as Aug. 26 when a comment period on the issue closes.

Alphabet Inc's Google, Facebook Inc and Amazon.com Inc are all scheduled to testify in Washington on Monday in support of the Trump administration's efforts to potentially punish France for enacting a 3% tax on global tech companies with at least 750 million euros (\$832 million) in global revenue and digital sales of 25 million euros in France.

France's digital tax "is a sharp departure from long-established tax rules and uniquely targets a subset of businesses," according to prepared remarks a Google representative is scheduled to deliver in the US Trade Representative's Office hearing in Washington on Monday. "French government officials have emphasized repeatedly that the tax is intended to target foreign technology companies."

The US is probing France's new tax, which French President Emmanuel Macron signed into law last month, using a tool that could be a precursor to new tariffs or other trade restrictions. US Trade

The effort to crack down on France has created common ground for Trump — who has called Google and Facebook "on the side of the Radical Left Democrats" and accused Amazon of avoiding taxes — and technology companies that are both worried foreign governments are looking to use American corporations as a way to collect additional tax revenue.

The US is looking to use France as an example to deter other countries from targeting American technology firms for tax dollars. The UK, New Zealand, Spain and Italy are among countries considering their own digital taxes, a move that US officials say could lead to companies being taxed multiple times on the same profits. Bloomberg

**China Slams Taiwan over Asylum Offer to HK People**

**Beijing:** China slammed Taiwan on Monday for offering asylum to Hong Kong people facing prosecution for involvement in anti-government protests, telling the island's leaders to "stop meddling" in the territory's affairs.



China Plans to Make Shenzhen a 'Better Place' than HK

"They've had the worst year in 27 years because of what I've done. They want to come to the negotiating table. The companies are leaving. They are laying off millions of people because they don't want to pay 25% (import tariff)," he said. AFP & PTI

Ma Xiaoguang, a spokesman for the Chinese cabinet's Taiwan Affairs Office, warned Taiwan's ruling Democratic Progressive Party to "stop undermining the rule of law in the Hong Kong Special Administrative Region, stop meddling in Hong Kong affairs, and stop indulging criminals in any way."

Taiwanese authorities "ignore the facts and reverse black and white, not only masking the crimes of a small number of Hong Kong militants, but also fuelling their arrogance for destroying Hong Kong," said Ma.

Last month after dozens of Hong Kong activists reportedly involved in an unprecedented storming of the city's parliament fled to Taiwan, the Taipei said it would provide assistance to those seeking sanctuary. AFP

Beijing: China's government has unveiled plans to boost the mainland city of Shenzhen and make it into what state media called a "better place" than neighbouring Hong Kong, following another huge pro-democracy rally in the semi-autonomous financial hub. Weeks of demonstrations have plunged Hong Kong into crisis — which Beijing is now framing as an opportunity for Shenzhen's development. On Monday, state-run media outlined a set of guidelines released by the central Chinese government that aims to turn Shenzhen into a pilot area of "socialism with Chinese characteristics". AFP

**34% of Economists Expect a US Recession in 2021: Survey**

**Washington:** A number of US business economists appear sufficiently concerned about the risks of some of President Donald Trump's economic policies that they expect a recession in the US by the end of 2021. Thirty-four percent of economists surveyed by the National Association for Business Economics, in a report being released on Monday, said they

believe a slowing economy will tip into recession in 2021. That's up from 25% in a survey taken in February. Only 2% of those polled expect a recession to begin this year, while 38% predict that it will occur in 2020.

Trump, however, has dismissed concerns about a recession, offering an optimistic outlook for the economy after last week's steep drop in the

financial markets and saying on Sunday, "I don't think we're having a recession."

A strong economy is key to the Republican president's 2020 reelection prospects. The economists have previously expressed concern that Trump's tariffs and higher budget deficits could eventually dampen the economy. AP

**Cook Warns Trump about China Tariffs, Samsung Competition**

**Washington:** President Donald Trump said on Sunday that he had spoken with Apple Inc's CEO Tim Cook about the impact of US tariffs on Chinese imports as well as competition from South Korean company Samsung Electronics.



Apple CEO Tim Cook

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 Chinese goods, including

consumer electronics, are scheduled to go into effect in two stages on September 1 and December 15. By contrast, the US and South Korea struck a trade agreement last Sep-

tember. "I thought he made a very compelling argument, so I'm thinking about it," Trump said of Cook.

China lost 20 lakhs jobs: Trump

Trump has claimed that China has lost more than 20 lakhs jobs in a very short period of time, due to his tough policies, including imposing additional import tariffs. Chinese, he said, is doing "very, very" poorly.

"China is eating the tariffs because of monetary manipulation.

And also, they're pouring a lot of money into their country because they don't want to lose jobs... They lost over two million jobs in a short period of time," Trump told reporters in New Jersey on Sunday.

"They've had the worst year in 27 years because of what I've done. They want to come to the negotiating table. The companies are leaving. They are laying off millions of people because they don't want to pay 25% (import tariff)," he said. AFP & PTI

Johnson has said he favours a skills-based immigration system post-Brexit, but Downing Street is yet to unveil full details.

Critics representing EU citizens claim he is trying to evade parliamentary scrutiny of his changed stance towards new arrivals after Brexit — and fear those already in Britain could get mistakenly caught out. AFP

**UK to End EU Free Movement Immediately After Brexit**

# No-Shows by Candidates Up Even in Tough Job Market

Aspirants look for counter-offers or prefer to remain in comfort zones

Sreeradha.Basu@timesgroup.com

**Kolkata:** A strategy head at an e-commerce company recently backed out of accepting an offer after making the recruiter wait for two-and-a-half months. Another candidate for a CXO role in an industrial sector company did the same after agreeing on the draft compensation.

No-shows are no longer restricted to the boom times. There is a rising number of such cases among senior professionals even in this tough job market. Companies and headhunters say this is the new reality, especially in sectors such as digital and technology, where demand exceeds supply.

The reasons vary, say headhunters. Some use it as a tactic to negotiate counteroffers and stay back; some try to assess their market worth, and others decide not to leave given the uncertainty of these times. And, there are those with in-demand skills, who have more lucrative offers.

"In exciting times when people have multiple offers, no-shows are common. But in difficult times, too, many decide, even after job negotiations, that they prefer remaining in their comfort zone," said Arun Das Mahapatra, partner-in-charge-India at Heidrick & Struggles.

"There is an air of caution in tight markets... So, thoughts like known devil vs an unknown tend to surface," said A Ramachandran, senior

## Vanishing Act

WARNING SIGNS THAT A CANDIDATE MAY BE A NO-SHOW

Not returning calls/emails

FAMILIES UNAWARE ASKING FOR EXTENSION OF NEGOTIATIONS

ASKING FOR EXTENSION OF JOINING DATE

WHAT FIRMS/RECRUITERS CAN DO  
MAINTAIN STRONG ENGAGEMENT WITH A CANDIDATE THROUGH THE ENTIRE PROCESS  
Keep strong back-ups in hand In extreme cases, blacklist

partner at EMA Partners.

The turnaround time for a senior hire is typically four to five months, including the notice period. When a candidate pulls out at the last minute, there is a huge opportunity cost because of significant senior management time that is invested in such hires.

Recently on LinkedIn, AntWorks COO Govind Sandhu outed a candidate who did not turn up after accepting an offer without informing the organisation. The issue triggered a social media debate, after RPG Enterprises chairman Harsh Goenka tweeted about it.

"What candidates need to understand is that there is a fair amount of blood, sweat and tears, and not joining causes a setback in business continuity," said Goenka. Reneging on an offer at the last minute without an explanation is unprofessional, he said.

BTI Consultants managing director James Agrawal said no-shows tend to be more common in sectors such as digital, startups/e-commerce/IT, where there is enormous disruption and huge focus on human capital. He sees 20-25 such cases a year at the senior level.

"In the last two months, we have had as many as nine dropouts in our digital practice," said Atul Vohra, managing partner at Transearch India.

He said that when good talent leaves a company, it's intellectual capital walking out of the door and a replacement always costs more in terms of the learning cycle and cultural integration. "Companies will then give a counteroffer and be aggressive about it," said Vohra.

"It's important to engage with the candidate and keep an eye out for all potential warning signs that s/he may be having second thoughts," said Amit Agarwal, managing partner of Stanton Chase India. Heidrick's Mahapatra said they keep an adequate number of equally strong backups.

All agree that there's little companies can do, beyond blacklisting. Hari TN, HR head at BigBasket, said neither side should be washing dirty linen in public. "Candidates have a freedom of choice. Sometimes they exercise this choice will come across as unprofessional and mercenary... but it still does not call for publicly calling out this behaviour," said Hari.

Sanjiv Misra, director, group HR, at Aditya Birla Group said it is advisable to act with restraint unless one knows the facts. "There are examples where corporates have withdrawn campus offers because business plans change. Why shouldn't equal rights be with individuals? It depends on facts and the situation," he said.

# Restaurant Bodies to Meet Aggregators

Off The Menu Look to end conflict through dialogue after planning a series of meetings

Our Bureau

**New Delhi:** Two national restaurant associations are set to meet food aggregators in a bid to resolve issues such as deep discounting, contracts and commissions, which have triggered a confrontation between them.

The Federation of Hotel & Restaurant Associations of India (FHRAI) said it has asked aggregators to engage in a fruitful dialogue at the earliest to arrive at a win-win outcome for all, falling which it warned of nationwide protests. In a letter to Zomato, Swiggy, Nearbuy, Dineout, Eazy-Diner and Magicpin, the federation said it had called for a review

of all their schemes. "We continue to stand united on ending the epidemic of deep discounting once and for all," said Rahul Singh, president, National Restaurant Association of India (NRAI). "Over the next two days, meetings have been aligned with all five aggregators. These will be attended by (their) founders and NRAI's national management committee members, who represent all formats of the restaurant sector."

The move towards talks came two days after online delivery and dine-in aggregator Zomato founder Deepinder Goyal said restaurant owners should stop their campaign to quit aggregators so customers don't suffer. "In the in-

terest of consumers, we request restaurant owners, to stop the lout campaign, and have a collaborative discussion with internet aggregators for finding a sustainable way forward," Goyal tweeted late Saturday night.

He also tweeted that Zomato is "committed to work with the industry" and make modifications to Zomato Gold. "What's good for restaurants is good for Zomato. What's good for consumers is good for Zomato. Finding the right balance and product market fit is the restaurant industry's problem (and that includes us)," Goyal said in another tweet.

As per FHRAI, 75% of its mem-

bers have opted out of Zomato Gold, a programme where customers pay an annual fee to avail of discounts at member restaurants.

Restaurants say that apart from the anytime-anywhere-any day discounting behaviour of aggregators, the increasing rentals and denial of input tax credit were severely denting profitability. Under programmes started by online food aggregators, restaurants pay for the discounts and the freebies offered.

"A model contract which is mutually agreed upon has to be accepted," said Gurbaxish Singh Kohli, vice president of FHRAI. "Further, the agreement terms are not sacrosanct as they are frequently and unilaterally changed."

# IOC to Invest ₹25,000 Cr in Green Energy

Sanjeev Choudhary @timesgroup.com

**New Delhi:** Indian Oil Corp (IOC), the nation's largest refiner and fossil fuel retailer, plans to invest ₹25,000 crore in green energy projects, including solar and wind power plants, biofuels plants, and solar panels at filling stations.

"IndianOil has developed a road map and action plan to usher in clean and green energy alternatives to mitigate the risk of global warming," the company said in its annual report.

Rising environmental concerns are increasingly swaying government energy policies across the globe, prompting energy companies to invest in greener options.

Over the next 5-7 years, IndianOil aims to invest ₹2 lakh crore to "evolve into a future-ready corporate that provides comprehensive energy solutions to diverse user

## In The Pipeline

INDIANOIL PLANS TO SCALE up its solar and wind power portfolio to 260 MW by 2020 from 216 MW now, which includes 167 MW of wind and 49 MW of solar

IT PLANS TO INVEST IN SETTING up 2G ethanol plants and a pilot facility for 3G ethanol plant, and integration of refinery processes with biofuel production

27,800 Total fuel stations

14,173 Solar-operated fuel stations with a combined installed capacity of 77 MW

5,000 Fuel stations were converted to operate on solar in FY19

IndianOil plans to scale up its solar and wind power portfolio to 260 MW by 2020 from 216 MW now, which includes 167 MW of wind and 49 MW of solar.

An interesting transition is visible at more than half the company's filling stations where solar panels are helping cut dependence on grid power. Pumps have experienced incre-

ased sales after solar installation in areas that suffered from unreliable grid supply. Of the total 27,800 fuel stations, 14,173 are solar-operated with a combined installed capacity of 77 MW. In 2018-19, 5,000 stations were converted to operate on solar.

"The biggest push is set to come in the biofuel space. "Biofuels is a space the corporation is gearing up with great zest, emboldened by the renewed policy thrust on modern bioenergy," the company said.

It plans to invest in setting up 2G ethanol plants and a pilot facility for 3G ethanol plant, and integration of refinery processes with biofuel production.

It has issued letters of intent to entrepreneurs to set up 75 plants to supply 792 tonnes per day of compressed biogas (CBG) under the government's sustainable alternative towards affordable transportation (SATAT) scheme that targets setting up 5,000 CBG plants over the next few years.

## ET ascent

ADVERTORIAL AND PROMOTIONAL FEATURE

**BHARATHIDASAN INSTITUTE OF MANAGEMENT**  
(School of Excellence affiliated to Bharathidasan University)  
PB.No.12, BHEL Complex, MHD Campus, Tiruchirappalli - 620 014, Tamil Nadu. www.bim.edu

APPLICATIONS ARE INVITED FOR THE POST OF  
**DIRECTOR**  
Educational qualification (as per AICTE norms) :

(i) MBA First Class and PhD in Management from premier management institutes like IIMs, (PhD's from foreign University preferred).  
(ii) Atleast two successful PhDs guided as supervisor/co-supervisor and minimum eight research publications in SCI Journals/UGC/AICTE approved list of Journals.  
(iii) Minimum of 15 years experience in teaching/research/industry out of which atleast 3 years shall be at the post equivalent to that of Professor. Candidate with administrative experience will be preferred.

**The role of Director will include :**

(i) Bringing unique perspective to the Institute anticipating the global business in networked economy.  
(ii) Quick identification of new opportunities worth pursuing.  
(iii) Mobilising the business school resources to create academic value and an environment of trust and inspiration to present positive results.

Eligible candidates may send their detailed CV by e-mail to [bim\\_directorsearch@bim.edu](mailto:bim_directorsearch@bim.edu)

A hard copy of the CV in a cover superscribed "Application for the Post of Director, BIM" must be sent by Registered Post to : BIM Director Search Committee Selection, Bharathidasan Institute of Management, PB. No. 12, MHD Campus, BHEL Complex, Tiruchirappalli - 620 014, Tamil Nadu.

Application by email and hard copy should reach the Search-cum-Selection Committee on or before **5PM on 30<sup>th</sup> September 2019**. Compensation is negotiable for distinctively meritorious candidates.

**Note :** Interested candidates for other faculty positions (refer website [www.bim.edu](http://www.bim.edu)) may also send their CV by e-mail to [bim\\_facultysearch@bim.edu](mailto:bim_facultysearch@bim.edu) to reach before 5PM on 30<sup>th</sup> September 2019.

**IIFCL Projects Limited**  
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Registered Office: 5<sup>th</sup> Floor, Plate-A, NBCC Tower, Block - 02, East Kidalw Nagar New Delhi-110023

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IPL is being engaged by various Central and State Governments for providing advisory services in developing quality infrastructure. To expand its reach and effectively deliver on the same, IPL intends to hire professionals with requisite skills and expertise in advising clients on developing/ structuring/ financing and undertaking feasibility of infrastructure projects as Consultants (on contractual basis). The shortlisted candidate will be provided with a platform to make a positive contribution in developing world class infrastructure.

For further information on the various roles for which applications are sought and application formats, interested applicants may visit our website <http://www.iifclprojects.com> under careers caption.

The positions are open in New Delhi and in major cities of India, preference of city to be indicated by the candidate.

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5th Floor, Plate-A, NBCC Tower, Block - 02, East Kidalw Nagar New Delhi-110023.  
Last date for receipt of application is 02.09.2019 and in the case of remote area is 09.09.2019.

Chief Executive Officer

**NTPC Plans to Set up 5,000MW Ultra Mega Solar Power Plant**

Mumbai: State run-NTPC aims to set up a 5,000-MW solar park that the company is referring to as an Ultra Mega Solar Power Project, at Kutch in Gujarat, at an estimated cost of ₹200 crore, a top executive at the power generation company said on Monday.

In the current fiscal, NTPC plans to add 5,290 MW to its existing capacity of 54,326 MW. While coal-based power generation would continue to be the company's primary business, it is expanding its presence in alternative energy sources like solar power and has plans for municipal waste-fuelled power.

"Battery storage is at an early stage, so we are looking at a different route to manage the solar power plant. We are looking at more flexibility at coal power plants by bringing down our output to 55%. We are working on a plan to back down coal-based units, so that if there is higher generation from solar units, we can push that in the grid," the official said.

NTPC has identified a location in Kutch to develop 5,000 MW in phases, beginning in the current fiscal and is also exploring Rajasthan for a second such park. The solar park may be built entirely by NTPC or may even have other power developers participating. — Our Bureau

**General Insurance Corporation of India**  
(A Government of India Undertaking)

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Requires  
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**Minimum Qualification:** Graduates in Engineering/Finance/Commerce/Law/IT, etc. with at least 60% marks in degree examination for General & OBC candidates and at least 55% marks for SC/ST candidates.

**Age Limit:** (as on 21.08.2019) Minimum 21 years, Maximum 30 years. Relaxation in age limit is as per Government guidelines.

**Compensation Package:** The package applicable for Scale I officer is with Basic Pay of ₹ 32,795/- per month in the scale of ₹ 32795-1610 (14)-55335-1745 (4)-62315 plus additional allowances and other non-core benefits (full details are given in GIC Re's website). The total gross salary will be approx. ₹ 59,000/- p.m.

**Selection Process:** The selection for the above post shall be based on Written Test and performance in Group Discussion and Interview. The total marks for Written Test, Group Discussion and Interview will be 200.

**How to apply:** Eligible candidates have to apply through online registration system of GIC Re by visiting our website i.e. <https://gicofindia.in>. Online submission of the applications will be allowed on the website between 21st August 2019 and 11th September, 2019.

Detailed advertisement is available on [www.gicofindia.in](http://www.gicofindia.in)

Place: Mumbai | Date: 21.08.2019 Deputy General Manager (HR)

**Banks Board Bureau**

Applications are invited from Indian nationals with exemplary track record for the post of

**MANAGING DIRECTOR and CHIEF EXECUTIVE OFFICER**

For

**1. Punjab National Bank  
2. Bank of India**

Eligibility

- Age: 45 to 57 years;
- Minimum experience: 15 years in mainstream banking of which at least one year should be at the Board Level.

How to Apply

- Application form & other details, are available at <http://www.banksboardbureau.org.in/WhatsNew/Index>

Last Date

- September 16, 2019

Secretary  
Banks Board Bureau

NOTE: Further details including corrigendum, if any, will be published only on the Bureau's website.

**Banks Board Bureau**

Applications are invited from Indian nationals with exemplary track record for the post of

**MANAGING DIRECTOR and CHIEF EXECUTIVE OFFICER**

For

**1. Bank of Baroda 3. Canara Bank  
2. Bank of India 4. Punjab National Bank**

Eligibility

- Age: 45 to 57 years;
- Minimum experience: 15 years in mainstream banking of which at least one year should be at the Board Level.

How to Apply

- Application form & other details, are available at <http://www.banksboardbureau.org.in/WhatsNew/Index>

Last Date

- September 23, 2019

Secretary  
Banks Board Bureau

NOTE: Further details including corrigendum, if any, will be published only on the Bureau's website.

**APPAREL EXPORT PROMOTION COUNCIL**  
Apparel House, Sector-44, Institutional Area, Gurgaon  
Website: [www.aepcindia.com](http://www.aepcindia.com)

**Secretary General, Apparel Export Promotion Council (AEPC)**

Apparel Export Promotion Council (AEPC) has an opening for the post of Secretary General at its head office in Gurgaon, Haryana. AEPC, sponsored by Ministry of Textiles, Government of India was incorporated in 1978. It is one of the largest trade promotion councils with offices across the country and is the nodal agency to promote exports of readymade garments from India.

AEPC offers technical assistance and market information to its members and seeks to expand existing markets as well as open new markets for Indian apparel. Apparel is one of the largest export items of India, currently accounting for around US\$17 billion annually.

**Job Profile**

AEPC is the largest Export Promotion Council in India. The incumbent will report to the Chairman and be responsible for executing policies and programs of the Council as laid down by the Executive Committee of the Council. The incumbent will lead a team of professionals across different offices of AEPC and ensure that the Administration and Governance norms of the highest standards are maintained. The incumbent will assist the Executive Committee in designing strategies to increase India's global footprint in Apparel exports. Liaising with Government of India more particularly Ministries of Textiles, Commerce, Finance and State Government is a key part of the job. The incumbent is also expected to liaise with other stakeholders, associations connected to apparel industry for faster integrated growth of the apparel sector. Good communication skills to represent the Council successfully in Domestic and International forums is critical.

**Educational qualification**

Preferably Post Graduate Degree in International Trade

**Experience**

Minimum 20 years experience in the Corporate World or Government with a significant exposure to international trade. The incumbent should also have good knowledge of international trade agreements as also Trade policies in countries such as China, Bangladesh, Vietnam, etc. Work experience in Textiles and Apparel industry is preferable. Good connection with Government and demonstrated skills in Networking with Central, State Governments at medium to high levels of administration would be added asset.

The position will be based in Head Office of AEPC at Gurgaon. Applicant should be above 50 years as on 01.01.2019. Salary and other Perquisites will be according to eligibility.

**How to Apply:** Interested candidates may send their applications along with updated resume and recent passport size photograph within 15 days from the release of this advertisement to :

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Institutional Area, Sector-44, Gurgaon-122003 (Haryana).  
OR Email at [chairman@aepcindia.com](mailto:chairman@aepcindia.com)**



# Telecom Regulator in Talks with Foreign Counterparts to Reduce Roaming Charges

Gulveen Aulakh@timesgroup.com

New Delhi: Mobile phone bills while on international roaming may head south soon, if the Telecom Regulatory Authority of India (Trai) has its way.

The telecom regulator has begun discussions with its overseas counterparts to reduce roaming charges for subscribers going abroad. To start with, the sectoral watchdog has started talks with SAARC countries, bar Pakistan, to lower roaming tariffs charged by carriers in the countries. For example, roaming charges in Nepal are as high as in the UK.

"We have sounded out regulators... we will hold an internal review this month," said a senior Trai official.

Trai feels that if it can convince its neighbouring countries to lower tariffs through bilateral talks, then the discussions with other countries — such as those in Europe, Africa and Latin America where tariffs are far higher than what India charges — can be undertaken with much ease. Discussions with countries including Nepal, Bhutan, Bangladesh, Sri Lanka, Maldives and Afghanistan, have been positive so far, officials added. A consultation on the issue is also being deliberated upon, but its movement forward will depend on the outcome of the discussions, they added.

Some of India's neighbours have higher roaming charges compared to the US, the UK or Canada.

Trai's move is also aimed at spurring travellers to pick roaming packs from Indian



Trai's move is also aimed at spurring travellers to pick roaming packs from Indian operators over SIMs from foreign operators

operators over SIMs from foreign operators or depending on Wi-Fi hotspots, which eats into telco revenues.

Lowering the high charges for making calls and sending messages will directly impact revenue for smaller countries like Nepal — which gets more tourists from India than vice-versa — which is one of the key challenges to overcome through bilateral talks, said one of the officials. Another challenge will be whether carriers in other countries will come on the same page as their regulator to cut tariffs.

"If carriers in neighbouring countries lower their roaming charges, we can also do the same, which in turn can be beneficial for consumers," said a senior executive at one of the carriers, asking not to be named.

Another executive said that Trai, through bilateral talks, can steer the discussion towards a more productive end than carriers themselves since the regulator of another country can persuade the local carriers in a better way than Indian carriers can, while doing their individual bilateral agreements, while deciding roaming rates.

Bharti Airtel chairman Sunil Bharti Mittal, during his tenure as head of global body GSMA, had also pushed for lower international roaming charges as well.

## Balesh Sharma Resigns as CEO of Vodafone Idea

Telco appoints Ravinder Takkar as new CEO & MD for three years

Our Bureau

Mumbai: Vodafone Idea CEO Balesh Sharma resigned on Monday with immediate effect, less than a year into his job. Ravinder Takkar was appointed CEO and MD of the mobile phone company whose share price is near an all-time low amid losses and falling subscriber and revenue market shares.

"The Board of Vodafone Idea Ltd today announced that it has accepted Balesh Sharma's request for personal reasons to step down as CEO of Vodafone Idea. Balesh will be taking up a new role with Vodafone Group, which will be announced in due course," the company said in a statement on Monday. Sharma, who was chief operating officer at Vodafone India since April 2017, took over as CEO of Vodafone Idea on August 31 last year, when Vodafone India and Idea Cellular merged to create India's largest telco by subscribers and revenue market share.

Takkar, Vodafone Group's representative in India since 2017 and a non-executive director at Vodafone Idea, has been appointed for three years, starting August 19. Takkar has spent 25 years with the Vodafone Group and was CEO of Vodafone Romania for three years and CEO of Vodafone Partner Markets in London.

The Vodafone Group veteran's immediate tasks include completing the integration of the two companies — major parts being network and IT, expanding the 4G footprint that still lags rivals Reliance Jio Infocomm and Bharti Airtel, stemming customer losses, improving revenue, cash flows and turning profitable.

The Vodafone India-Idea merger was triggered by the price war that broke out after Mukesh Ambani-owned Reliance Jio started services in September 2016. Vodafone Idea's losses have continued since the merger — almost ₹4,900 crore in the April-June quarter on revenue of ₹1,289.9 crore, below Jio's ₹11,679 crore for the first time.

Since August 31, Vodafone Idea's stock price has fallen 81% and the company has lost almost 90 million subscribers as mainly low-paying users moved to Jio, shrinking its market share to less than 33% from 41%. Its revenue market share has hovered at about 32% since the merger, slightly ahead of Jio and Airtel.

Vodafone Idea shares ended Monday at ₹5.99, down 7.1% on the BSE, giving it a market cap of ₹17,212.50 crore. The stock touched a record low of ₹4.83 on August 13. The company raised ₹25,000 crore via a rights issue in May.

Under Sharma, the telco managed to stem the fall in average revenue per user (ARPU) — the key performance indicator grew to ₹108 at June end from ₹104 at the end of March — while reaching about 70% of its opex synergy target of ₹8,400 crore, which it expects to achieve by the first quarter of FY21, two years ahead of the initial target.

"Under Balesh's stewardship, Vodafone Idea has realised a significant proportion of the synergies in a much shorter timescale than originally estimated," Kumar Mangalam Birla, chairman of the Aditya Birla Group and Vodafone Idea, said in the statement.

Analysts said the prompt naming of a replacement and the promoters' recent capital infusion — to the tune of some ₹18,000 crore — showed the long-term commitment of the telco despite challenges from Jio and Airtel. "The business is losing money but ARPU appears to have stabilised with just three players in the market, and maybe the company's market share does not see that much erosion," said Sanjiv Bhasin, executive VP, markets and corporate affairs, at IIFL.

## BOOST FOR TELECOM DEPARTMENT

# SC Stays Appellate Tribunal's Order in RCom OTSC Case

Our Bureau

Mumbai: The Supreme Court on Monday stayed an appellate tribunal's order which had stalled the telecom department's demand for ₹2,000 crore from Reliance Communications (RCom) as one-time spectrum charges (OTSC), an order which may have wider ramifications for the broader industry.

"Currently, SC has granted an interim stay of the TDSAT judgement. It is subject to the outcome of the full and final hearing of all the operators," said an RCom official.

This implies that RCom may have to provide bank guarantees worth ₹2,000 crore, under the Department of Telecommunications (DoT) de-

mands, said lawyers.

But RCom said it can't pay anything since it is in the midst of insolvency proceedings. "Airtel and RCom, both are in the NCLT/IBC, where DoT is an operational creditor, and both the companies are in the moratorium period," explained the RCom official.

Sources in the DoT also admitted that despite the latest order, it will be difficult to recover the money from RCom, now that it is under insolvency proceedings.

The one-time spectrum charges are dues towards payment of market-linked prices for excess spectrum held by a telco and have been a contentious issue between the operators and the government.

The DoT has raised demands against all telcos such as Vodafone Idea

and Bharti Airtel, but all such demands have been stayed by the TDSAT. The DoT has also challenged all such orders in the SC, whose latest order on RCom may have a bearing on the OTSC demands against the other telcos, said an industry official.

"OTSC demands are an industry issue and these demands are pending for since 2013," said the official.

RCom is the second telco to go under insolvency and all its payments are under moratorium till the resolution professional (RP) — Deloitte — completes its asset monetisation.

RCom has ₹46,000 crore of debt. As many as 39 financial creditors have claimed about ₹49,193 crore from the company. RCom and its units also have hundreds of operational creditors and DoT is one of them.

# Creditors' Appeals Against Monnet Ispat Resolution Plan Dismissed

Our Bureau

New Delhi: An appellate tribunal on Monday dismissed appeals by some creditors of steelmaker Monnet Ispat & Energy against a ₹2,875-crore resolution plan offered by AION Investments and JSW Steel.

The Mumbai bench of the National Company Law Tribunal (NCLT) had approved the proposal last year.

Operational creditors Bharat Heavy Electricals, GAIL India and Bharat PetroResources, and financial creditor IFCI had alleged discriminatory treatment under the re-

solution plan. Under the AION-JSW Steel resolution plan, operational creditors are entitled to ₹25 crore against their total admitted claims of about ₹450 crore.

IFCI had claimed that the plan discriminated against it relative to other financial creditors. IFCI had claimed that it was entitled to an additional ₹70 crore over the ₹95 crore that it was paid under the resolution plan, through its exclusive rights over an asset of Monnet Ispat. IFCI had a total claim of ₹559 crore against a principal amount of ₹250 crore.

Financial creditors got just 24% of their loans to Monnet

Ispat, against which creditors had total admitted claims of around ₹1,400 crore. JSW Steel-AION were the sole bidders for Monnet Ispat, which manufactures various steel and iron-based products and has a production capacity of around 1.5 million tonnes a year.

This judgement comes after recent amendments to the Insolvency and Bankruptcy Code, passed by Parliament in the Monsoon session, which have clarified that a committee of creditors has the right to take commercial decisions on the distribution of the proceeds of a resolution plan.

## कार्यपालक अभियन्ता का कार्यालय पेयजल एवं स्वच्छता प्रमण्डल, हजारीबाग

—: शुद्धि पत्र —:

पेयजल एवं स्वच्छता प्रमण्डल, हजारीबाग अन्तर्गत आमंत्रित निविदा (Annual Operation and Maintenance) P.R. No.: 214259 (Drinking Water and Sanitation) 2019-20 (D) को अपरिहार्य कारणवश निम्नलिखित संशोधन किया जाता है।

क्र.	विवरण	संशोधन के उपरान्त
1.	वेब साइट पर निविदा के प्रकाशन की तिथि-	दिनांक-19.08.2019 को 05:00 बजे अपरार्हण तक
2.	निविदा प्राप्ति की अंतिम तिथि एवं समय-	दिनांक-26.08.2019 को 05:00 बजे अपरार्हण तक
3.	अग्रघन की राशि/परिमाण विषय की राशि प्राप्त करने की अंतिम तिथि एवं समय-	दिनांक-27.08.2019 को 01:00 बजे अपरार्हण तक कार्यालय अभियन्ता, पेयजल एवं स्वच्छता प्रमण्डल, हजारीबाग।
4.	निविदा खोलने की तिथि-	दिनांक-27.08.2019 को 4.30 बजे अपरार्हण तक

कार्यपालक अभियन्ता पेयजल एवं स्वच्छता प्रमण्डल हजारीबाग  
PR 214711 Drinking Water and Sanitation (19-20)\_D



**Jharkhand Agency for Promotion of Information Technology**  
(An Autonomous body under Department of Information Technology, Govt of Jharkhand)  
Ground Floor, Engineer's Hostel - 1, Near Golchakkar, Dhanuwa, Ranchi, Jharkhand  
Phone: 0651-2401044, 2401067 email: japit\_doit@rediffmail.com

Selection of Secondary Bandwidth Provider under Jharkhand State Wide Area Network 2.0 (JharNet 2.0)  
Corrigendum - 2

Reference PR No. 212519  
Tender Reference No.: JAP-IT/JharNet 2.0/RFP-MPLS/02/2019  
Corrigendum Reference No. JAP-IT/JharNet 2.0/RFP-MPLS/02/2019 /Corr- 02  
This is in reference to the Request for Proposal (RFP) published for the purpose of "Selection of Service Provider for Jharkhand State Wide Area Network 2.0 (JharNet 2.0)", tender reference no. JAP-IT/JharNet 2.0/RFP-MPLS/02/2019 dated 24/07/2019.

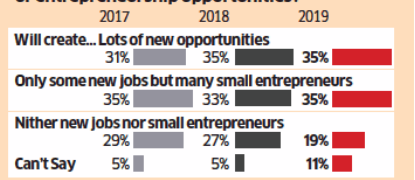
Interested participants may download the Corrigendum-2 document published from the portal [www.jharkhandtenders.gov.in](http://www.jharkhandtenders.gov.in). The address for correspondence for the purpose of this RFP is: Chief Executive Officer, JAPIT, Ground Floor, Near Golchakkar, Engineer's Hostel - 1, Dhanuwa, Ranchi, Jharkhand  
Email: japit\_doit@rediffmail.com  
Phone No.: +91-651-2401067/4

Sd/-  
CEO, JAP-IT  
PR 214737 Information Technology (19-20)\_D

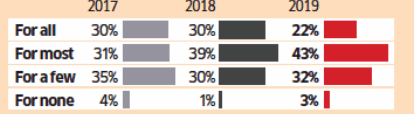
# Where is India Going? Survey Sees Little Change

Be it jobs, entrepreneurship, graft or communal harmony, the opinion of people has remained largely unchanged over the past one or two years. While a third of those surveyed in a series of online polls conducted by citizens engagement forum LocalCircles believe more jobs and entrepreneurship opportunities will emerge, an equal proportion think this will be more true for entrepreneurship than for jobs. More than four in 10 say corruption is being dealt with, but a somewhat higher proportion believe the situation is the same. However, when it comes to growth a lower proportion of those surveyed say the benefits will flow to all. Here's more...

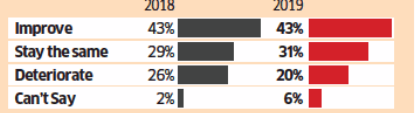
% respondents  
Will India be able to create enough employment or entrepreneurship opportunities?



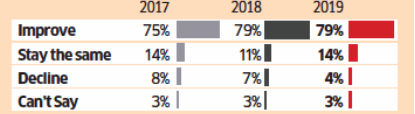
How do you foresee India's growth and prosperity happening in the next 3 years?



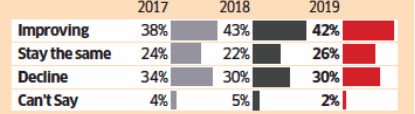
Will the situation regarding bribery and corruption change in the next 3 years?



How do you see India's clout in the world changing in the next 3 years?



How do you see India's social stability\* changing in the next 3 years?



NOTE: The survey is based on 48,000 responses received from more than 22,000 unique individuals across 215 districts  
Source: LOCALCIRCLES

## OFFICE OF THE EXECUTIVE ENGINEER, MECHANICAL IRRIGATION CONSTRUCTION DIVISION, KRISHNA NAGAR, JAMMU. Phone No. : 0191-2573370, Email : xenmicdjm@gmail.com

NOTICE INVITING TENDER  
e-NIT No. MICD/J/46 of 2019-20 dated :- 17-8-2019  
Executive Engineer, Mechanical Irrigation Construction Division Krishna Nagar, Jammu, on behalf of Governor of J&K State, invites tenders by e-tendering mode from registered and reputed firms/contractors for providing of skilled labour for manufacturing of crates/springs on machines in the departmental workshop and weaving of crates/crate boxes of different sizes as per the requirements of the department. The crates/springs/crates/boxes of various sizes and of different mesh are given below with details, that are to be manufactured out of 4mm BA wire provided by the department. QUANTITY OF BA WIRE TO BE CONVERTED INTO CRATES/BOXES - 1000 MT (Approximate) The bidding process shall be completed online in two covers viz Cover 'A' - Tender fee and Earnest Money details. Deposit, fulfillment of prequalification criteria, technical specifications and acceptance to terms and conditions of the tender. Cover 'B' - Financial Bid in the prescribed BCC.

Sr. No.	Name of work	Name of Division	Cost of document/tender fee (In Rs.)	Earnest money (In Rs.)	Validity of Rates
1.	Providing of skilled labour/workers for manufacturing of springs on machines, installed in workshop Belicharan, weaving of Crates/boxes of sizes 20' x 5' x 5', 20' x 4' x 4' and 5' x 5' x 4' with (6' x 6') & (5' x 5') mesh size out of 4 mm diameter B. A. Wire (B. A. Wire to be provided by the Department) as per departmental requirements from time to time during the validity of the contract. The job also includes providing of coolants, lubricants, repairing of dies, blades etc. required during the manufacturing process. Scope of the work also includes Loading of B.A wire to be issued with crates, unloading of B.A wire bundles from the trucks as well as loading of the manufactured crates/boxes in the trucks.	Mech. Irrigation Construction Division, Jammu	1000.00	0.40 lac.	1 year

Position of funds: Available (Deposit Contribution works)  
Key dates of the tender  
Date of publication on website  
1. Bidding documents can be seen at and downloaded from the website <http://www.jktenders.gov.in> from 17/08/19 (04.00 PM) to 11/09/19 (02.00 PM).  
No. :- MICD/J/934-80  
Dt. :- 17-08-2019  
Signed for on behalf of the Governor of J&K State  
Mech. Irr. Construction Division, Jammu.  
DIPU-2158-P19

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# Blame Thyselves

A summer upset by poor transfer planning culminated in a loss at Athletic Bilbao to start the new La Liga season, leaving many at Barca with serious questions to answer

Dermot Corrigan

Although many at Barcelona spent the summer waiting for Philippe Coutinho to leave, the awkward timing of his exit contributed to Friday's 0-1 opening day loss at Athletic Bilbao, and highlighted the transfer tardiness which already has Ernesto Valverde's side playing catch-up in La Liga.

Coutinho has had a rough time at Barca since joining from Liverpool for €145million in January 2018, and the blaugrana board have been trying for months to sell him to fund Neymar's return from Paris Saint-Germain.

So there was relief when Barca director Guillermo Amor confirmed an agreement for the unwanted Brazilian to join Bayern Munich, when speaking on Spanish TV just ahead of Friday evening's game at San Mames.

Coutinho had travelled to Bilbao with the team, but in the end sat high in the stands watching as Barca dominated possession for the entire game only to be caught by Ariz Aduriz's spectacular last gasp winner.

Unfinished transfer business was evident in Ivan Rakitic being surprisingly left out of the starting XI — coincidentally or not with the Croatian midfielder being one of the few Barca squad members who PSG would accept in part-exchange for Neymar.

Plus it was striking how Rafinha was Barca's most creative player on the night, after the Catalan club had spent the summer trying to sell the finally fit again playmaker. He would have already joined Valencia only for a row among decision-makers at Mestalla, but impressed after entering when Luis Suarez came off injured before half-time.

Not yet having finalised their squad for the new season was of course only one factor in the defeat. Clearly also important was Lionel Messi missing due to a calf injury. Although



Barcelona players after the loss against Athletic Bilbao

Valverde refused to accept 'Messi-dependence' as an excuse at the post-game news conference.

"We are used to Leo unblocking games like this for us, but we've also played great games without him," the blaugrana coach said. "We needed other things, more runs into space, more width. We must transform possession into chances, which is what counts, and take them."



Philippe Coutinho has joined Bayern Munich on a season-long loan

With no Messi [or Neymar] around, Antoine Griezmann could have taken advantage to provide those "other things" in his first official game since his €120m arrival from Atletico Madrid. However Griezmann had a quiet 90 minutes, struggling to make much impact first on the left wing, then up front after Suarez left.

Barca's other new signing to start was ex-Ajax playmaker Frenkie De Jong, who was given extra responsibility on his debut with both Rakitic and Sergio Busquets surprisingly left on the bench. The ex-Ajax playmaker showed flashes of personality and ability, but expecting a 22-year-old to run a game at San Mames on his debut was too much.

Later on Friday evening, as Barca's fans were still analysing the defeat, Coutinho's exit was confirmed as a one-year loan by Bayern CEO Karl-Heinz Rummenigge, with the Bundesliga side having an option to buy next summer. Sending Coutinho on loan gets his sizeable wages off Barca's books. But it

does not help raise the big money needed to bring back Neymar from a PSG hierarchy which look determined to drive a hard bargain. Especially considering the blaugrana board has already stretched financially to bring in Griezmann earlier in the summer.

Sunday's Mundo Deportivo front page claimed that Barca were now "considering asking" to take Neymar on loan themselves, and prepared to give Ousmane Dembele in part-exchange. The report inside the Catalan paper did not convince that PSG sporting director Leonardo or especially the club's chairman Nasser Al-Khelaifi would be willing to go along with that plan.

Real Madrid remain another potential destination for Neymar, with more reports in the Spanish capital on Sunday that Blancos president Florentino Perez was making a renewed effort to finally sign his long-time obsession. Even after coach Zinedine Zidane insisted both before

and after his team's 3-1 victory at Celta Vigo on Saturday that he was now happy to "make do with the players we have".

Atletico also did their business early this transfer window, and England right-back Kieran Trippier took just 24 minutes to produce a peach of a cross to set up their opener for Alvaro Morata in Sunday night's 1-0 victory over Getafe at the Wanda Metropolitan.

Meanwhile, Neymar was nowhere to be seen on Sunday night as his current side were shocked 1-2 at home to Rennes in Ligue 1. While the official story is that the 27-year-old is not yet fully match fit, he looked in pretty good shape in his Instagram holiday pictures from Portugal last week. PSG coach Thomas Tuchel has appeared open to Neymar 'doing a Bale' and staying, but winning back over the fans at the Parc des Princes looks impossible at this point.

Given La Liga's transfer window remains open until September 2, there are still two weeks for Barca's various transfer decision-makers to sort out a workable plan. Valverde admitted last week that as coach he has little say on which players are bought or sold. And also to wishing La Liga would follow the Premier League's

example and shut the window before the games begin. "It's inconvenient, there's no logic to it," the Basque said. "It's not normal that we start the season with the transfer window still open. This fortnight of uncertainty isn't good."

Valverde's attacking plans do remain very much up in the air. Suarez's calf injury is likely to keep him out for around a month. It is unclear whether Messi will be back for next Sunday's game at home to Real Betis — the only team to win at the Camp Nou last season.

It is fair to add that the last time Barca lost on opening day they recovered to win the title. And that Coutinho had to be moved on in whatever way possible. But the real lack of logic has come in how the chase for Neymar has upset all previous transfer planning. So the Catalan club have only themselves to blame for starting 2019/20 on the wrong foot.

The Independent



Kumar Sangakkara

## NEW INNINGS

Sangakkara, who's set to become the first non-British president of the MCC, talks about his new role



Anand Vasu



BAT ON REGARDLESS

When England play their next Test match at the home of cricket, the Marylebone Cricket Club (MCC), whose ground Lord's is, they will have their first non-British president in Kumar Sangakkara.

One of Sri Lanka's greatest cricketers, and favourite sons, Sangakkara was offered the post of Sri Lankan Ambassador to the United Kingdom on the day he retired, but he politely declined, saying that was a job for "wiser heads".

Indeed, even when Anthony Wreford, the outgoing president of the MCC, met Sangakkara in Sri Lanka in late 2018 to ask if Sangakkara would take up the MCC job, there was a touch of reluctance. Sangakkara, while honoured to be considered, "did not want to commit to it flippanly," but once he heard Wreford out on what the job entailed and what he could bring to the table, Sangakkara consented.

"I always think that there are a lot of progressive steps in the MCC's very long history, both in terms of how the MCC views its cricket and how it views itself as a club. The diversity in membership that is encouraged make it a truly international club that has a voice beyond just the shores of England," Sangakkara tells ET Sport.

"The MCC's influence on cricket, on community connections, working with children, opening up the game to a wider audience, is important. They are doing a lot of work with state schools to spread the gospel of the game and this has changed the way the public perceives the MCC."

Sangakkara credits Wreford — who was one of the spearheads of the campaign to allow women to become members of the MCC — with some of the necessary changes being made. "Thinking of Wreford, take the role of MCC and its cricket committee, their backing of innovation in technology, their changing of the Laws of the game, this has been very progressive. It's a journey that continues not just with my appointment as president, but in the future," says Sangakkara.

"The work done with Afghanistan, the Nepal legacy, the university program that MCC runs with Oxford, Cambridge Loughborough and Durham allows cricketers to pursue an academic career without foregoing high quality competition or coaching. All these things are changing the perception the public might have of the MCC."

Sangakkara will well understand the importance of marrying cricket and education as he himself studied to be a lawyer while pursuing the game. Put it to Sangakkara that his appoint-

ment has a touch of poacher-turned-gamekeeper to it, with him going from champion sledger to president of the most genteel cricket club in the world and he laughs out loud. "There are exciting things happening in world cricket, exciting ideas, the launch of The Hundred is one of them, and the MCC is still holding true to the fact that cricket transcends the petty politics around the world," says Sangakkara, conceding that his appointment will be a matter of pride to his countrymen.

"I'm sure it is a matter of pride [to Sri Lankans]. It's again the changing image of world cricket. The base is becoming truly international."

"There is a heavy bias towards Asia with its fan base of 900 million to a billion. But, at the end of the day it is about promoting the game, because that's what the MCC is — a cricket club. For cricketers to be a part of history and tradition is great, but this history and tradition do not belong only to England, it is the cricket world's history and tradition."

There was also the hope that Sangakkara's appointment would be a

For cricketers to be a part of history and tradition is great, but this history and tradition do not belong only to England, it is the cricket world's history and tradition

KUMAR SANGAKKARA  
Former Sri Lanka captain

significant inspiration to the large Sri Lankan diaspora in the United Kingdom. "There are quite a lot of young Britishers of Sri Lankan heritage, in state and public schools. It is important that everyone gets the opportunity, whether they go on to play competitive professional cricket or not," says Sangakkara.

"But with cricket being an essential part of Sri Lankan life, they must get chances to be exposed to the game for the lessons team sport teaches you, the character it builds and the health benefits it brings at a time when technology is so intrusive in the lives of young people. To be exposed to cricket is a huge thing."

And, the fact that Sangakkara has been chosen, in a way to represent Asia, is no coincidence given that he has consistently looked beyond just the game, spoke up on social and political issues, something a lot of iconic cricketers shy away from doing. "It's not just me, Sri Lankan cricketers as a whole have been vociferous in supporting social causes. And this is not idle chat, but giving up time and resources, not a one-time financial handout," says Sangakkara.

"Social harmony, post-conflict reconciliation, all of that is second nature to a lot of Sri Lankan cricketers. Every Sri Lankan cricketer is conscious of this given the trying times that we grew up in."

Perhaps some others can take a leaf out of the hymn book that Sri Lanka's cricketers sing from.

## Gill's Arjuna Gives Hope to Motorsport Fraternity

But there is an understanding that this recognition will not alter the landscape on its own

Abhishek Takle

Gaurav Gill's nomination for the Arjuna Award may not kick Indian motorsport into a higher gear overnight but officials, administrators and members of the fraternity are hoping the long-overdue recognition can help pull the discipline into the mainstream.

The Indian rally ace was on the list of 19 sports persons nominated for one of the country's top sporting honours, it emerged last week. After being snubbed for the last three years, Gill is set to become the first motorsport athlete to win the award.

"This is a big development for Indian motorsport," said J Prithviraj, president of the Federation of Motor Sports Clubs of India (FMSCI), India's motorsports body which nominated Gill. "It will do wonders for us and the sport and encourage all the talented drivers to go even higher as they know that the government will recognise his or her efforts. It will motivate younger kids to take up the sport too, follow in the footsteps of Narain Karthikeyan and Gill and others who have excelled on the world stage for so many years." Indian motorsport has always occupied its own little niche. Far from its

practitioners being considered for national honours, simply winning official recognition of the discipline — dismissed as an adventure pursuit or entertainment — has been a challenge.

The FMSCI itself only regained recognition as a national sports federation in 2015, two years after India held its last Formula One race at Greater Noida's Buddh International Circuit.

JK Tyres' head of motorsport and FMSCI council member Sanjay Sharma says the body has been battling to win Indian racers some form of sporting recognition since Karthikeyan, who was incidentally awarded the Padma Shri some years ago, became the first Indian to race in Formula One in 2005.

"We've been fighting this battle for a very long time," said Sharma. "There's a whole lot of time which has been wasted in trying to explain the levels of the sport, how over the years it has evolved in this country. This is a huge victory for the sport itself."

Gill has won the Indian National Rally Championship (INRC) a whopping six times and the Asia Pacific Rally Championship (APRC) thrice.

**The Arjuna Award for me, more than the recipient of it, is the acceptance of the government that motorsport is actually a sport**  
VICKY CHANDHOK, former FMSCI president

Last year, he competed in the World Rally Championship's WRC2 category driving in four rallies and is set to take part in three more WRC2 events in 2019.

Gill — like Dakar finishers CS Santosh and KP Aravind, or young F1 hopefuls Jehan Daruvala and Arjun Maini — is one among a group of Indian racers racing internationally.

While that pool has grown, Indian motorsport still lags the European motor-racing heardland when it comes to infrastructure, the quality of equipment, level of competition and most importantly opportunities for the country's brightest young racing talent to progress up the ladder.

The recognition bestowed by the Arjuna Award will not on its own drastically alter the landscape. But, it sets a precedent that paves the way for other motor racing athletes in the future to win similar recognition which could then build momentum behind a grassroots change as the sport emerges from its niche.

"I don't think one award will give it momentum," said businessman Gautam Singhania, who sits on the World Motor

**If you make them understand what it's all about, then you'll gain popularity and with popularity it will become more commercial and more commercial means more sponsors and more money in the sport**  
GAURAV GILL, rally driver



Gaurav Gill (right) during 2019 FMSCI Indian National Rally Championship

Sport Council (WMSC) of the FIA, the governing body for global motorsport. "To give it momentum at the grassroots level, a whole series of other things are being done which we hope to see results with. (But it's) a clear, clear, clear signal that we are now getting noticed."

Vicky Chandhok, former president of the FMSCI, who battled plenty of red tape while bringing Formula One to India, said this long-overdue recognition offered the body the platform to grow awareness about the sport.

"The Arjuna Award for me, more than the recipient of it, is the acceptance of the government that motorsport is actually a sport," said Chandhok, vice-president of the Madras Motor Sports Club, a member of the FMSCI governing council and also the president of the APRC.

"It's now for the FMSCI to leverage Gaurav the recipient to promote the sport within the government circles."

Gill, meanwhile, said his winning the Arjuna Award could finally pave the way for much-needed sponsorship money to start flowing into the sport, which would raise the level of professionalism, while also giving aspiring racers hope that there's a career to be made in motorsport.

"People in the press and people like you'll now start writing about it and you'll make people more aware," he said. "If you make them understand what it's all about, then you'll gain popularity and with popularity it will become more commercial and more commercial means more sponsors and more money in the sport."



### Conflict of Interest Rule to Stay for Now: Diana Edulji

The Committee of Administrators (CoA) member Diana Edulji on Monday said the conflict of interest rule will be followed 'as of now' and amendments in this regard can be made if the Supreme Court deems fit. "The ethics officer sends the complaint to us and he then takes the call. He's a former judge of the Supreme Court. He will definitely go by the rules book. Yes, cricket is having a little difficulty in this conflict of interest rule. I think if the papers are put perfectly in the court, they will understand," Edulji told reporters. Edulji, who was talking to reporters after the conclusion of a meeting between the CoA and Indian cricketers over the conflict of interest rule, said: "Good suggestions came up during the meeting. As of now, a conflict of interest rule has to be followed." "The amendments will be made once the court gives its verdict. We are trying our level best to see what is best for cricket. If the Supreme Court decides, the amendments will be implemented," she said.

### Davis Cup: Discussion Between AITA & ITF Pushed to Tuesday

The tele-conference between the Indian tennis federation and the international body ITF's security consultants on the upcoming Davis Cup tie between India and Pakistan was on Monday pushed to August 20. India's non-playing Davis Cup captain Mahesh Bhupathi, who was to be part of the conference call, informed that the discussions have been postponed by a day. "They have pushed it to tomorrow," Bhupathi said without elaborating. All India Tennis Association (AITA) Secretary General Hironmoy Chatterjee said, "ITF Executive Director Justine Albert was unavailable today." The tie, scheduled to be held in Islamabad, has become a matter of speculation ever since Pakistan downgraded diplomatic ties with India.

**PUBLISHED FOR THE PROPRIETORS**, Bennett, Coleman & Co. Ltd. by Rajesh Yadav at Times House, 7, Bahadur Shah Zafar Marg, New Delhi-110 002, Phone: 011-23320000, Fax: 011-23323346 and printed by him at Times of India Press, 13 & 15/1, Site VI, Industrial Area, Sahibabad (UP).  
**REGD. OFFICE**: Dr. Basabhi Naoraji Road, Mumbai-400 001. **EDITOR (DELHI MARKET)**: Vinay Pandey (responsible for selection of news and editorial content).  
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This has been Mukesh Ambani's pay package for the past decade. A look at the remuneration of other business heads

Peers who rank lower than Ambani on the billionaire list, but higher on the salary front in FY19



**Mukesh Ambani**, Chairman and MD, RIL  
₹15 crore



**Pawan Munjal**, CMD, Hero MotoCorp  
₹80.41 crore



**Rajiv Bajaj**, MD, Bajaj Auto  
₹32.31 crore



**Sunil Bharti Mittal**, Chairman, Bharti Airtel  
₹31 crore

Some top-ranking C-suite members (within the non-promoter group) who earned more than Ambani in FY19



**SN Subrahmanyam**, MD, Larsen & Toubro  
₹48.45 crore



**R Shankar Raman**, CFO, Larsen & Toubro  
₹25.08 crore



**Salil Parekh**, CEO, Infosys  
₹24.67 crore



**Navin Agarwal**, Executive chairman, Vedanta  
₹30.71 crore



**Venu Srinivasan**, CMD, TVS Motor Company  
₹23.77 crore



**Sanjiv Bajaj**, MD, Bajaj Holdings & Investment  
₹19.13 crore



**Nikhil Meswani**, ED, RIL  
₹20.57 crore



**Hital Meswani**, ED, RIL  
₹20.57 crore



**Rajesh Gopinathan**, CEO, Tata Consultancy Services  
₹16.03 crore

PICS: GETTY IMAGES, N NARASIMHA MURTHY, SHRIYA PATIL, NITIN SONAWANE, BLOOMBERG, ASHWANI NAGPAL, AMRENDRA JHA, RAMOORTHY P

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**W**hen your net worth is approximately \$50 billion, a no pay hike isn't a major cause for concern. In fact, at that level, an annual salary figure of ₹15 crore itself could feel like pocket change — even though this compensation includes salary and allowances, perquisites, retirement benefits and commission. "Compensation of Shri Mukesh D. Ambani, chairman and managing director, has been set at ₹15 crore, reflecting his desire to continue to set a personal example for moderation in managerial compensation levels," says RIL's annual report for 2018-19. Reliance promoters also received a dividend of ₹1,778 crore (approx).

**clashing brands**

## RISQUÉ BUSINESS: FERRARI'S OBJECTIONS TO RACY POSTS

Italian carmaker wants designer Philipp Plein to delete pictures featuring its cars. The dispute highlights unclear boundaries of celebrity promotions

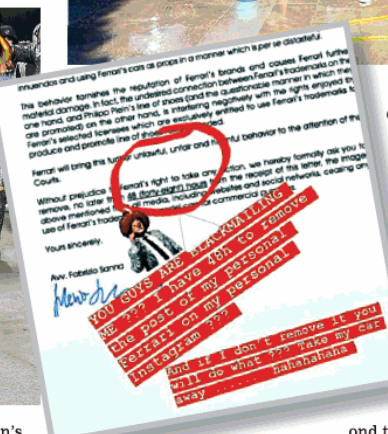
Ferrari and Philipp Plein should get on just beautifully. After all, few companies spell money and life in the fast lane quite like the Italian manufacturer. And few people personify the ostentatious display of wealth quite like the German fashion designer known for leopard-print gowns, crystal-studded sneakers, and skimpy swimwear. But that's where the trouble started. Plein has posted photos on Instagram featuring a pair of bikini-clad women suggestively gyrating atop an acid-green Ferrari while the designer douses the proceedings with a garden hose.



Philipp Plein refused to remove the pictures of bikini-clad women sitting on top of a green Ferrari



Philipp Plein on the runway at his fashion show during the Milan Men's Fashion Week on June 15



"Can't even put in words how disappointed and disgusted I am about this unfair and totally inappropriate claim against me personally," Plein wrote in a post accompanying the lawyer's letter. "Obviously I love cars and ESPECIALLY FERRARI!!!!"

**Private vs public**

The spat between Ferrari and Plein highlights the awkward co-existence of brands whose clienteles overlap, but where one side starts to have second thoughts about being associated with the other's risqué image. Since Plein owns the car and says the sneakers in question are his own shoes, the case raises questions of what constitutes personal communication and what is promotional activity by celebrities and business people.

Carmine Rotondaro, an independent legal adviser to Plein, called Ferrari's accusations "totally baseless". He said the designer never sought to promote his brand via any affiliation with Ferrari and that he has no intention of taking down the posts. And he hasn't.

— Bloomberg

Another series showed Plein's sparkly footwear arrayed on the hood of his 12-cylinder Ferrari 812 Superfast.

**Opposite directions**

A law firm representing the Italian company quickly dispatched a letter demanding Plein take the pictures down within 48 hours, calling them "distasteful" and incompatible with its image. Ferrari also pointed out that displaying Plein's sneakers on its cars would



hurt shoe labels already affiliated with the carmaker. "This behaviour tarnishes the reputation of Ferrari's brands," the letter said. Plein went on the counterattack, posting the letter online and decrying Ferrari's treatment of a loyal client and longstanding fan. He then put up a photo-montage depicting Ferrari CEO **Louis Camilleri** as a clown and asked his 1.8 million Instagram followers to send him photos of shoes on their cars.

PICS: GETTY IMAGES, BLOOMBERG, INSTAGRAM/ PHILIPP PLEIN

## Horsing around by show host upsets Guinness

World records' body not amused by John Oliver's tongue-in-cheek comments

John Oliver, the US television host who is known for his wicked sense of humour and witty jokes, would have never thought that a funny episode meant to address Turkmenistan President Gurbanguly Berdimuhamedov's obsession with horses will attract strong backlash from the Guinness World Records.

Oliver began his *Last Week Tonight* show recently with jokes about death rumours of the Turkmenistan president. He then ended up baking a massive marble cake that had an image of the "human rights-abusing" Berdimuhamedov being thrown from his horse in a race.

The show host explained that one of Berdimuhamedov's favourite pastimes was to collect Guinness World Records because apparently "authoritarians love getting Guinness World Records".

During the show, he also took a dig at Guinness World Records, which he said works with authoritarian governments, which includes Turkmenistan, Saudi Arabia, and the Dubai police force, in order for them to break records.

The British-born comic Oliver pointed out that Guinness World Records had declined to participate in his show's record-breaking attempt at creating the "world's largest marble cake".

The Guinness World Records body expressed its disappointment over the "false and unfair allegations about Guinness World Records".

The body said that they were asked to provide a judge to officiate the so-

called world record attempt for "largest cake with an image of someone falling off a horse". "On the basis that it was merely an opportunity to mock one of our record-holders, we declined. It is our policy not to partake

in any activities which may belittle their achievements or subject them to ridicule," it added. So far, Oliver has not reacted to Guinness's statement.

— ANI



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PIC: GETTY IMAGES, SHRIYA PATIL

Kim Kardashian has said that she wakes up at 6 am to take care of her four kids and goes to sleep by 10 pm, as she is exhausted after a full day of work

# Slumber setback

Is your sleep cycle out of sync? It may be genetic



**E**arly to bed, early to rise—a fine plan for a dairy farmer who has to get up long before dawn to milk the cows. But if you're someone who works all day with stocks and clients and may want to enjoy an evening out now and then, it would be better not to be getting up at 2 am and have to struggle to stay awake through dinner or a show.

In a new study in the journal *Sleep* by researchers in San Francisco, Salt Lake City and Madison, Wisconsin, of more than 2,400 patients who visited a sleep clinic for complaints like sleep apnea or insomnia, a small number of them were found to have a previously unrecognised familial form of advanced sleep phase, a kind of permanent jet lag that the study showed often runs in families.

## Long and short sleepers

The lead author of the study, Dr Louis J Ptacek, professor of neurology at the University of California, San Francisco, said the world is full of long and short sleepers—the so-called owls who stay up late and get up late, and the larks who go to sleep early and wake up early. These patterns, too, often run in families, and Ptacek and his colleagues have been identifying genes that influence them.

Such natural long and short sleep patterns fit into the normal distribution of people's sleep needs. But those with an abnormally advanced or delayed sleep phase are different—they may need the same amount of sleep as the average person, but the times at which they need to sleep and wake are anything but average.

Barack Obama used to go to sleep at 1 am and wake up at 7 am when he was the US president



Nestle chairman Suresh Narayanan has said that he usually gets seven hours of good sleep



Former Yahoo CEO Marissa Mayer used to work 130 hours per week, so she was used to only four-six hours sleep per night

Advanced sleep phase is now known to be determined by a single dominant mutation in a growing list of genes discovered in the laboratories of Ptacek and his collaborator Ying-Hui Fu.

## Delayed sleep phase

The incidence of advanced sleep phase disorder is likely underestimated because it results in fewer social conflicts. People are not usually penalised for getting to school or work too early. Night owls, on the other hand, are more inclined to seek the help of a sleep specialist because it's so hard for them to get up and get going in the morning to meet the demands of school, work or household.

"People with delayed sleep phase often suffer a great deal," Ptacek said. "They may be unable to fall asleep before 2, 3 or 4 am and then have to get up at 7. They tend

to be chronically sleep-deprived and may not function well."

## Bright light effect

Exposure to bright light in the evening—especially the blue light from cellphones and most e-book readers—can delay the biological clock and help people to stay up later (or, in the case of insomniacs, make it harder for them to fall asleep). Those with a delayed sleep phase need exposure to bright morning light to stimulate arousal.

Taking melatonin might help, but only if it's timed correctly. Naturally, melatonin levels begin to rise about two hours before sleep, so it may help night owls fall asleep earlier if it is taken orally two hours before their desired bedtime.

For those who awaken in the middle of the night, Ptacek advises getting regular exercise, avoiding a big meal close to bedtime and not stressing about not sleeping. "The more anxious you are, the less likely you'll be able to fall back to sleep," he said. Instead, he suggested, "Get up and do something kind of boring for an hour or so and then go back to bed."

— The New York Times

# Not in the mood for love

Why you're switching off in the bedroom

One of life's biggest myths is that men are always in the mood for sex. The truth is that so many factors can be downers in that department. It's important then to understand why and be patient. Sometimes, you could bounce back soon; at others, you may need professional help. Recognise some of the signs that could be getting you down:



PIC: GETTY IMAGES

**1. Depression:** Clinical depression is said to be one of the biggest mood-killers. Since it's key to get professional help, try to also understand that some antidepressants can contribute to your low sex drive.

on the rise, particularly in the aging population. It's said to start decreasing slightly from the age of 30 and especially after 40. The good news? It can be treated with counseling and hormone replacement therapy.

**2. Career stress:** So much of your mood hinges on how work is going and if that is in a bad phase, then it could stress you out mentally. Mental stress affects libido greatly, so try to achieve some equilibrium here and confide in your partner.

**4. Erotica obsession:** Sometimes you could be losing steam between the sheets because you're expending that sexual energy elsewhere. A lot of men start leaning on porn when there's a dry spell, but that could lead to an unhealthy obsession with it. The problem is that it builds unrealistic expectations from your partner. Take a break and seek real excitement from within your relationship instead.

**3. Low testosterone levels:** Male hypogonadism is a condition in which the body doesn't produce enough testosterone. According to a 2016 report in *Urology*, treatment for hypogonadism is

— Agencies

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₹10,000 approximately

Minizmo monsoon swoon blazer  
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House of Sunil Mehra embroidered casual jacket  
₹52,000

**HOW TO**

- Perfect for a day-time event, lighter coloured blazers should not be pushed to the back of your wardrobe. They are the perfect bridge between formal and fun. While colours such as pink, sky blue and lemon suit most people, if you're worried about going too light, try grey or beige.
- Coloured jackets work well with trousers, chinos and jeans which means they can work for multiple looks. Throw one of these over white shirts, deep blue denims and classic oxford shoes for an easy to put together look. Sneakers also work well, depending on the event.
- When it comes to accessorising your lighter blazer, you need to exercise some caution. Choose pocket squares and cufflinks that complement the lighter tone.

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Code by Lifestyle regular fit blazer  
₹3,999



PIC: GETTY IMAGES

# Wedding blues

Friends don't like to spend their vacation days to celebrate your marriage

businessinsider.in

In most cases, your close friends will opt to take a day or two off work to celebrate your bachelorette weekend—but they may not be happy about it.

In fact, Americans spend about 35 per cent of their time off to celebrate other people's milestones, according to a new survey from London-based research firm Mortar for the travel company Flash Pack.

The survey comprised 1,000 responses from men and women of all ages, income brackets, and US regions. Millennials, in particular, give up more vacation days for other people—61

per cent of people aged 25 to 44 said they attended up to 10 local weddings in the last three years.

While spending time with loved ones seems like a valuable time commitment, 80 per cent of all the people surveyed said they would rather spend their days off on themselves. Only a fifth of respondents said they were "okay with using earned vacation time for other people's events".

"In a life that's already bursting at the seams, you're frittering away all your spare time and money on other people's dreams," Flash Pack co-founder Lee Thompson said in a statement.

Vacations can even cause stress. A survey conducted recently found that 23 per cent of professionals feel burnt out when their co-workers are on vacation. For workers in the "gig economy" who are treated like independent contractors, they have even fewer options for time off.



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## write stuff TIPS TO CREATE THE RIGHT FIRST IMPRESSION

Career coaches give pointers on the art of writing the perfect résumés

businessinsider.in

**Résumés:** Nobody likes writing them. But chances are you're going to need one. The art of writing the perfect résumé, however, is a mysterious one. A group of professional career coaches and résumé writers reveal the one thing they wish job applicants knew about résumés:

**1 Avoid job description**  
While you need to make it clear what you do at your current job and did at your past jobs, a résumé shouldn't read like a laundry list of duties, Timothy Lo, co-founder of the business consulting firm

Your Next Jump said. "[But] what we find what most employers are really looking for, is answering the 'so what?' question. So you do all of these things. That's great, but so what? What were the outcomes? What were the results? You want to show that no matter what you do, you're going to be really good at it," said Lo.

**2 Clear focus**  
A big mistake that many job seekers make is being too vague, according to Martin Yate, of Knock Em Dead, a résumé and career coaching service. "It should be based on what the customer wants to buy, reflecting what you bring to the table



PIC: GETTY IMAGES

with each requirement," Yate said. "Not doing this is why résumés sink to the bottom of résumé databases."

**3 Less styling**  
Sometimes less is more, founder of New York branding and consulting firm Point Road Group Alyssa Gelbard said. "Résumés are reviewed very quickly, so while you

want to make things clear and easy to read with certain formatting, you also don't want to include too much styling, which becomes visually distracting," said Gelbard.

**4 Power of persuasion**  
Make yourself invaluable. But do it smoothly. "Your résumé shouldn't be a bragging post for your

accomplishments, it should be the long-awaited solution to the hiring manager's vacancy," said Olivia Jaras, founder of Salary Coaching for Women.

## Share your interests

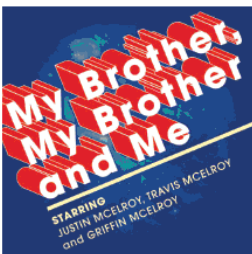
While, of course, you shouldn't divulge a love for an activity like weekend binge drinking, including a section for hobbies on a résumé can make you more attractive as a candidate, according to Sean Sessel, founder and director of The Oculus Institute. "When your résumé gets to a human being, this section will allow them to relate to you and imagine themselves working with you, which is what really matters," Sessel said.

# 7 podcasts for those who are serious about comedy

Humour is not something you go looking for only at comedy clubs or in TV sitcoms. In a digital age, streaming podcasts are a more contemporary way to get a laugh

in.pcmag.com

**A Piece of Work**  
A *Piece of Work* is a mixture of comedy and art. Hosted by Abbi Jacobson, it's everything you want to know about modern art, but you were afraid to ask. This 10-episode podcast explores everything from pop art to performance in lively conversations with curators, artists, and Abbi's friends.



performer Karen Kilgariff and TV host Georgia Hardstark bring the indomitable, rambling charm of their friendship to balance out the darkness. Stay sexy and don't get murdered.

**Stop Podcasting Yourself**  
Comedy delights from our neighbours to the north. Two hosts, one guest, lots of Canadian accents and laughs. Highlight: Overhears, where hosts Graham Clark and Dave Shumka and listeners share the weird things they have heard and seen out in the world.

**Mental Illness Happy Hour**  
A podcast about mental illness isn't going to appeal to everyone. But host Paul Gilmartin brings plenty of charm (and issues) to earnest conversations with comedians, clinicians and regular people living and coping with the gamut of mental struggles and diagnosed disorders. The tone often bounces from light-hearted to dark and back again, but you will not come across more deeply human and heartfelt conversations anywhere.

All podcasts are available in Apple and Google platforms

**Comedy Bang Bang**  
This long-running improv podcast will make you laugh out loud on your daily commute. The show is a combination of straight interviews with celebrity guests followed by one or two curious characters. Even host Scott Aukerman's sponsored commercials offer hilarious bouts of surreal anti-humour.

Jeffrey Dahmer, werewolves, Jonestown, iconic hauntings, the history of war crimes, and more.

**My Brother, My Brother and Me**  
Three brothers — Justin, Griffin and Travis McElroy — provide absurd 'advice' in a way that only their unique sense of humour allows. Always hilarious and sometimes ridiculous, the brothers respond to listener-submitted

questions and comb the depths of Yahoo Answers for some of the funniest off-the-cuff discussions and tangents in podcasting. Their good-natured presentation is a consistently reliable mood-

lifter even when you are stuck in city traffic.

**My Favorite Murder**  
It takes a certain type of person to seek out what is effectively a comedy podcast about graphic murders and true crime horrors. But those fascinated by the subject, or even just casually interested, will find plenty to like here. Veteran comedy writer and

**Last Podcast on the Left**  
The *Last Podcast on the Left* covers all the horrors our world has to offer both imagined and real, from demons and slashers to cults and serial killers. Hosts Ben Kessel, Marcus Parks and Henry Zebrowski cover dark subjects spanning



haute stuff

## A smartwatch to pep up your wellness goals

It helps you make positive lifestyle choices in your diet, exercise, mental health and sleep



in.pcmag.com

Samsung has finally taken the wraps off the Galaxy Watch Active 2, bringing an important health feature like ECG (ElectroCardiogram) at a price that is lower than that of the Apple Watch. Apart from adding ECG, the smartwatch has also brought a new, smarter design that increases the display real estate without increasing the dimensions. The Galaxy Watch Active 2 succeeds the original and improves on multiple aspects. The main highlight of the new smartwatch is definitely the support for ElectroCardiogram, something that the Apple Watch is known for.

**Purposeful design**  
The Galaxy Watch Active 2 sports a Super AMOLED display and comes in two variants — 44mm with a 1.4-inch display and 40mm with a 1.2-inch display. Samsung has opted for a digital bezel instead of an analogue one. The bezel can be turned clockwise and anticlockwise to help you

The Galaxy Watch Active 2 comes in two different sizes — 44 mm (\$299) and 40 mm (\$279.99) in diameter

select and open apps. Running on Tizen-based Wearable OS with One UI on top, the Galaxy Watch Active 2 is powered by the Exynos 9110 dual-core processor. This is paired with 768MB or 1.5GB of RAM, coupled with 4GB storage. **Smart features** Other features of the Galaxy Watch Active 2 include ECG, heart rate monitoring, accelerometer, gyroscope, barometer and ambient light. In terms of fitness features, the Galaxy Watch Active 2 can help users track 39 workouts, including running, walking, cycling, swimming and dynamic workouts. Samsung has also added support for real-time stress levels via Samsung Health and new health sensors. The new smartwatch includes 5ATM+ IP68 water resistance, MIL-STD-810G certification, optional LTE support, WiFi, Bluetooth 5.0, NFC, and a GPS. The 44mm model is powered by a 340 mAh battery while the 40 mm model is powered by a 247 mAh battery.

tech treasure

## VALUE OF VINTAGE GADGETS

If you've held on to a few of your old tech favourites, some of them may now be worth thousands of dollars

businessinsider.in

Although a lot of old tech products wind up in the dustbin of history, a few of them go on to become collector's items. And as it turns out, some of the old gizmos in your attic might be able to fetch you a pretty sum. Here are six of the most valuable vintage tech products that are worth way more today than their original asking price:

### Texas Instruments Speak & Spell

**\$50 to \$100**  
A product of the 1970s, and reimagined as 'Mr Spell' in Pixar's *Toy Story* franchise, this child's toy was designed to help children learn to spell. The toy featured an early voice synthesiser and would quiz children on the spelling of words. Speak & Spells can fetch anywhere between \$50 and \$100 (depending on its condition).



### Sony TPS-L2 Walkman

**\$300 to \$700**  
We're all accustomed to streaming music directly to our phones, but not so long ago listening to music was a different experience. Before streaming there were MP3 players, and before those there were CD players, but even before that, there were cassette tapes. The Walkman was originally released in 1979 and, according to news sources, has seen a surge in



**Apple I**  
**\$43,000**  
Years before the first Macintosh computer revolutionised the personal computing space, Apple released its first desktop computer, called the Apple I, in 1976. According to *Mashable*, the fledgling company only made 200 Apple I units and sold them for \$666.66 each. An Apple I was sold in 2013 for a staggering \$390,000, but the highest successful auction bids on other units have been around \$43,000.



popularity thanks to their film depiction in the *Guardians of the Galaxy* films. In recent years, these Sony Walkmans have seen bids between \$300 and \$700.



### Original iPhone

**\$15,000**  
A revolutionary of its time, the original iPhone was released in 2007 and has since had more than ten generations. To get your hands on the phone that started it all, *Popular Mechanics* reported that \$15,000 can buy you a mint-condition iPhone still in its factory sealed box.



The Xerox Alto computer was released in 1973, and while it was never commercially produced (it was sold instead primarily to universities), its innovative mouse-driven user interface system would eventually inspire the classic desktop-style interface introduced on Apple's Macintosh in 1984. A non-functional Xerox Alto was sold in 2010 for \$30,000.



A prominent part of the 80s culture, you can buy a vintage boombox today for around \$800

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PICS: GETTY IMAGES



Thailand

**What's outlawed: Driving without a shirt**  
**Fine: 500 baht**

The weather in Thailand is hot and muggy most of the year, so the desire to take off one's shirt could be strong. But be careful about doing this while you're driving. Bare-chested driving is outlawed and whether you're on a bike or a car, you would have to pay a fine of 500 baht. For that matter, driving without an undergarment is also outlawed, although one doesn't specify how the officers would check for this particular violation.



Australia

**What's outlawed: Sticking your hands out of the window while driving**  
**Fine: \$50 to \$337 AUS**

Are you a fan of driving your car with one hand out of the window? Don't do it when in Australia. In fact, it's not just the drivers who are prohibited from sticking their limbs out; even passengers can be fined for a violation. The fines differ from state to state: It could be as high as \$337 in New South Wales, or as low as \$50 in Western Australia.



From being fined for eating while on the wheel to remembering to keep your clothes on, driving laws from around the world range from the inventive to the bizarre

businessinsider.in



Germany

**What's outlawed: Stopping on the autobahn**  
**Fine: 30 to 70 euros**

Germany's renowned autobahns are famous for not imposing a speed limit on their motorists, which is all the more reason why stopping on the freeway could be dangerous. In addition to stopping, parking, taking U-turns and backing up on the autobahns are also prohibited. Even if a driver runs out of fuel, he/she can be fined.



Cyprus

**What's outlawed: Eating or drinking while driving**  
**Fine: 85 euros**

The offence is defined as "holding anything with your hands other than what is required to operate the vehicle". So this would include talking on the phone while driving, or eating or drinking something. Even water is outlawed.



Russia

**What's outlawed: Having a dirty car**  
**Fine: 500 roubles**

The laws pertain not just to driving of the vehicle, but even the car's condition. In Russia, where the winter months can be severe, keeping the car in storage is a common practice. But if it causes the build-up of dirt and grime, the law requires motorists to clean it before taking it on the road.



Japan

**What's outlawed: Driving through a puddle**  
**Fine: \$65**

The Japanese term for driving through a puddle is "muddy driving", and they take such infractions seriously. A violation could cost you \$65, and can be higher if a pedestrian happened to be hit by the passing puddle shower. So be careful if you're going to be driving in Japan following a rain shower.

Spain

**What's outlawed: Wearing flip flops while driving**  
**Fine: 200 euros**

Driving while wearing flip flops is outlawed in Spain, supposedly because of the possibility of them getting stuck under the brake pedals and causing a mishap. In fact, it's not just flip flops; the law extends to slippers as well.



## Sixes and fours, all the way to 11



PIC: TWITTER/VIRAT KOHLI

**Indian cricket captain Virat Kohli** said he couldn't have asked for more as he completed the 11th year of a stellar international career on 18 August.

Kohli, whose international career began in 2008, took to social media to share his emotions on his 11th anniversary. "From starting as a teenager on the same day in 2008 to reflecting on the journey 11 years after, I couldn't have dreamt of



the blessings God has showered me with. May you all get the strength and power to follow your dreams and always follow the right path. #forevergrateful," Kohli posted on his Twitter handle with a couple of pictures depicting his journey.

The first picture was from his debut international game in Sri Lanka, and the latest one from his hotel room in Antigua. — PTI

## Kicking around

maleeva.rebello@timesgroup.com

Yash Kotak, co-founder of the Bombay Hemp Company, says he turns to football every time he wants to de-stress. "Football helps me vent. Since I play the game with other co-founders, it also helps build a great team spirit and allows us to pursue an activity beyond the scope of day to day work," he says.

Kotak says he's joined by his partners — Deelzaad Deolaliwala, Avnish Pandya, Chirag Tekchandany and Sanvar Oberoi — at Mumbai's Lower Parel or Coopers for a game at least twice a week.

Kotak, a fan of Portuguese star Cristiano Ronaldo, says he plays in the central attacking mid-field position, the No.10 role. "I don't try to emulate Ronaldo on the pitch; I have my own natu-



ral game. Everybody has their thing, you might not be the best at it, but it makes you happy. Football is my thing and playing with my buddies also creates memories," he says.

## MANY MOODS OF ANGELA MERKEL

Chancellor Angela Merkel let her hair down, met visitors, signed autographs and interacted with thousands of Germans at the government's 'Open Day', the annual weekend in Berlin when citizens are allowed behind the scenes access to see how the government functions.



PICS: GETTY IMAGES, REUTERS

## Iron Mike Ty-stoned

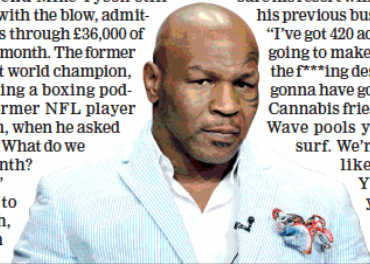
Boxing legend who filed for bankruptcy in 2013 says he still blows thousands on weed

Boxing legend Mike Tyson still loves to roll with the blow, admitting he burns through £36,000 of marijuana a month. The former heavyweight world champion, 53, was hosting a boxing podcast with former NFL player Eben Britton, when he asked his co-host, "What do we smoke a month? Is it \$40,000?" Referring to Tyson Ranch, a dope farm

and resort the ex-fighter is opening in California, where the drug is legal, Britton replied, "We smoke 10 tons of weed at the ranch a month."

Tyson has previously said: "I like who I am when I smoke. It calms me."

'Iron Mike', bankrupted in 2003, is sure his resort will fare better than his previous business ventures. "I've got 420 acres, man. We're going to make this an oasis in the f\*\*\*ing desert, man. We're gonna have golfing s\*\*\* there. Cannabis friendly, my friend. Wave pools you can f\*\*\*ing surf. We're going to have like 100 chateaus. You'll think you're in the Bahamas." — Daily Mirror



PIC: GETTY IMAGES

## \$20 million



Saudi Arabia will host the world's richest horse race at the King Abdulaziz Racetrack in Riyadh next year, with a purse of \$20 million up for grabs. The Saudi Cup, which will be run over 1,800 metres on dirt on February 29, will have a maximum of 14 runners, with the winner set to land \$10 million. The prize money at the Saudi Cup will eclipse the \$16 million purse at the Pegasus World Cup Invitational in Florida last year.

## quote unquote

"When I was flying to South Korea, I had the idea. You know what, I am going to South Korea, right next to North Korea, right with the border, right near there. There was no way that anybody knows how to get Kim Jong-un. How do you get him? I put out a tweet: 'Hey, I am going to South Korea. If you want to meet for a couple of minutes, let's meet.' And I put it out, and he was calling within 10 minutes."

Donald Trump indicates that the only way to reach out to Kim Jong-un may be through Twitter.



PIC: AP



The Berlin Wall came down in 1989



The Hungary-Austria border was the first chink in the Iron Curtain

## CURTAINS FOR THE SOVIETS: TRACING THE RISE AND FALL OF THE GREAT DIVIDER OF EUROPE

The 'Iron Curtain' was at first an ideological and then a physical separation of communist Eastern Europe from the West. The term itself was popularised after former British Prime Minister Winston Churchill used it in a landmark speech in the US. "From Stettin in the Baltic to Trieste in the Adriatic, an iron curtain has descended across the continent," declared Churchill, then leader of the Opposition, in March 1946.

Russian writer Vasily Rozanov, in his 1918 book *The Apocalypse of Our Time*, wrote, "An iron curtain is being lowered, creaking and squeaking, at the end of Russian history."

**More than metaphor**

But it wasn't just a metaphorical curtain; there was also a physical barrier spanning thousands of



kilometres separating Soviet-controlled Eastern Europe and the West. To stop their citizens from fleeing to the West, the Eastern countries began using barbed wire, ditches and concrete walls. These were monitored through alarms, watchtowers, mines and soldiers. Socialist Hungary put up the

first section in 1949, building a 260-kilometre barbed wire fence along its border with Austria.

The Berlin Wall was the most famous section of the Iron Curtain and became its symbol. Its construction started in 1961 and other than a 155-kilometre wall made of reinforced concrete and wire mesh, it also had a heavily controlled no-man's land on the eastern side.

Eastern European citizens were only allowed to visit the West under strict conditions and those who tried to cross over without permission did so at great risk. About 600-700 people died trying to escape East Germany, at least 136 at the Berlin Wall, according to historians. Around 5,000 people made it out, however, often using innovative means. One man crossed via a wire

**Thousands flocked to the wall, and disoriented border guards opened the checkpoints. Through the night, euphoric Berliners celebrated, perched on the wall**

cable shot by bow and arrow from the roof of a building to a relative on the other side. Others escaped by swimming across Berlin's Spree River, via tunnels, or by hot air balloon.

**Cracks in the curtain**

The first crack in the Iron Curtain appeared in May 1989 when Hungary decided to start opening its border with Austria. On August 19, the frontier was to be symbolically opened for a few hours for a Pan-European

Picnic. More than 600 East Germans holidaying in Hungary at the time took advantage and fled to the West. It was the first massive exodus since the 1961 construction of the Berlin Wall.

Soon afterwards, Eastern Europe's communist regimes started to tumble. East Germans began to demonstrate, and on November 9, the regime unexpectedly granted them the right to travel to the West freely. Thousands flocked to the wall, and disoriented border guards opened the checkpoints. Through the night, euphoric Berliners celebrated, perched on the wall.

Then they used pickaxes to knock out chunks. Within two years, the Soviet Union had imploded, and the Iron Curtain fell.



**Rajashree Namblar**  
CEO and MD,  
Fullerton India  
Credit Company

## Leading the way

Proactivity and steadfast preparation are the only ways to anticipate and ready oneself for change

Today's dynamic environment is making it necessary for all of us to anticipate and evolve. Business viability, scalability, long term growth and profitability, under the changing environment dynamics will help firms define their ambitions clearly and dispassionately. It is therefore paramount to be proactive and prepare for a future that is tough to predict, and these factors make it necessary for leaders to rely on a strategy that is based on a deeper understanding of the organisational priorities and markets.

To navigate through times of uncertainties, risks and complexities one has to approach them differently. This requires us to remain realistic and practical. Hence, organisations recognise the significance of aligning everyone to encourage participation and work towards a common goal. A leader is a believer and risk taker, but a person on the ground is the real marshal. For any organisation employees have to be empowered and engaged. Once again we have to be fundamental and lay emphasis on the culture and values we promote, while ethics and integrity remains imperative. To me VUCA is never over. The future will be led by leaders who will have the ability to create and realise innovative solutions in the face of structurally changing situations.



# WHAT VUCA MEANS FOR YOU

Making strategic decisions in a world of flux is one of the biggest challenges facing organizations today

Our world is moving at an unprecedented rate of change. The average life span of an S&P 500 Company has decreased from 67 years in the 1920's to a mere 15 years today, and only 11% of the Fortune 500 Companies from 1955 are still on the list today. That in a nutshell epitomizes VUCA (Volatility, Uncertainty, Complexity, and Ambiguity).

As Peter Drucker once said, "The greatest danger in times of turbulence is not the turbulence. It is to act with yesterday's logic." New

business models are emerging almost overnight that disrupt, redefine norms and upend conventional logic. The pace of technological change is relentless and the pressure to innovate and keep one step ahead of the competition is intense.

In this reality, the best laid plans are being trashed as new opportunities and challenges spring forth. Businesses are fire-fighting, making decisions in the here and now, striving to maintain operational excellence, while at the same time keeping an eye on the future. As

such, two year strategies are not as crazy a concept as it might have been a decade ago.

Failing to plan can often equate to planning to fail, and without a clear vision of what lies ahead, organizations are putting their very survival at risk. Look around you and several companies will be ample evidence of this. Tomorrow might be uncertain, but to ensure a sustainable future, organizations need to be planning for it now, or risk getting left behind in the wake of competitors.



**Divas Chawla**  
MD, nThrive

## In chaos, opportunity

The interdependence of industries has given rise to challenges, but within them lie gilt-edged opportunities

Today, consumerism is about instant gratification, increasingly changing expectations and wanting more bang for the buck. The interdependence of various industries across geographies has made it even more complex. Every client that I talk to wants us to be faster, better, cheaper!

I always like to pivot on what I call the PAKT model - People & Processes, Analytics, Knowledge Management and Technology. No matter how dynamic or volatile or even stable the environment, one should have a keen eye on all these because, the client goal has to be your goal.

People make companies; know them, grow them! They know how the client can be served better, the market and the challenges. Have a process to continuously take their inputs and implement them. Invest in their development and their continuous improvement. Continuous review of the various processes is a must to continue to keep them relevant and efficient.

I call Analytics, the EQ of the company. Know your performance vis a vis the client goals and competition. Knowledge is power and therefore, ensure retention and management of the collective company knowledge. And definitely always have a budget for investments in technology and innovating/improving upon what you have.



**Shobana Kamneni**  
Executive Vice  
Chairperson,  
Apollo Hospitals  
Enterprise and  
Chairperson, Apollo  
Munich  
Health Insurance

## Embracing healthcare's new normal

Vision, understanding and clarity of purpose are essential to resolving the challenges inherent in healthcare's ongoing evolution

Healthcare is a constantly evolving sector, operating in a VUCA world, navigating through challenges of ever-rising disease burden, R&D imperatives, new technologies, continuous re-skilling & up-skilling needs along with increasing pressure to improve quality and accessibility with reduced costs. India's ratio of 0.9 doctors and 1.5 nurses per 1,000 people is drastically lower than the WHO global average of 2.5 doctors and nurses per 1,000 people. While communicable diseases remain high, NCDs are reaching epidemic proportions causing 60% of mortality.

To combat these challenges, it is not just a continuous increase in capacity of workforce & infrastructure that is needed, but a revolutionary approach towards creating patient-cent-

ric models that maximize value for patients through best clinical outcomes with lowest costs. Healthcare ecosystem is extremely competitive and in need of fresh investments. To cater to the scale envisaged under the path-breaking Ayushman Bharat, healthcare delivery will have to be complemented by an efficient IT backbone that deploys integrated EMRs and best of emerging technologies- AI, Data Analytics and block-chains.

It is only through a large, integrated, hub-and-spokes healthcare delivery model that we can achieve sustainable, holistic health systems encompassing disease surveillance, prevention and management, and successfully take on the VUCA challenges.



**Anil Chaudhry**  
MD & Zone  
President,  
Schneider  
Electric-India

## A commitment to innovation

In challenging times, collaborative growth could end up being a key competitive differentiator

With the challenges which define our VUCA world, we are living in very interesting times. One of the keys to successfully navigating the current economic scenario is having a collaborative approach to business-collaboration not just within but outside. Our customers stand at the heart of all our businesses and drive innovation. It becomes critical for organisations to work together to create meaningful, comprehensive solutions for customers and clients. Collaboration is going to be our competitive differentiator in this era.

Along with this we need a set of work force which is equipped with appropriate skills for this digital era where we need to innovate on the go by leveraging the disruptive technologies which are available. Strategic workforce planning and competency management are crucial to keep up with the VUCA world so that our growth stays sustainable. We also need to keep our workforce diverse and inclusive to bring on board the richness this offers.

It is necessary for organisations to keep innovating and experimenting, by being fully receptive to the changes in the environment. Also, organisations must know where to reduce costs and increase productivity versus where to invest. The solution lies in creating flexible strategies and integrating the critical skillsets before making any plans. Communicating with major stakeholders is very important too.

Last but not the least, the world has woken up to the challenges of climate change and exhausting of our resources indiscriminately- we will need to be extremely responsible as businesses, as we grow, and make sure that our usage of energy and resources, becomes more efficient.



**Dharmesh Arora**  
Regional CEO-Asia  
Pacific, Schaeffler  
Group

## Moving ahead in volatile times

Uncertain times are pushing leaders and enterprises to look beyond traditional strategic tools

Globalisation and technological advancements have certainly shrunk the world, creating a connected and competitive business environment. While this creates tremendous growth opportunities, it also brings heightened pace of change with fair share of volatility, uncertainty, complexity and ambiguity. This new normal - an uncertain world is pushing the leaders and enterprises to look beyond traditional strategic tools.

In this era, a leader who may not have all the answers and the accumulated experience may only be of limited help, can easily slip into increased controls. When the exactly opposite - Innovation, Collaboration and Agility might be the virtues providing way forward.

In a rapidly evolving change environment, collaboration within and outside the organization provides critical assurance against the risk of technological redundancy. Innovation has helped humankind progress for centuries. The progress might have brought with it, some negative developments like environment degradation, but it is also certain that the same technology promises solutions. Progress is often a matter of detail, and of knowing that every great thing is the sum of many small parts. At Schaeffler India, focus remains on embedding innovation and agility into everything we do. It acts as a catalyst for us to innovate not only in terms of products but also business strategies. We have a long-term strategy "Mobility for Tomorrow" that guides us to mitigate this. We strive to bring about the technologies of the future and, in doing so, create the basis for our innovations to solve tomorrow's challenges, today.

### ET Edge Speak

>> We live in a world of rapid change with far-reaching consequences. The environment companies and authorities have to operate in changes at the same speed. But this is not true for only products, services and processes; it is equally true for companies. To succeed will require differentiated business models, company structures, and leadership paradigms.



**Navnit Singh**  
Chairman & MD,  
Korn Ferry

## Strategic foresight the need of the hour

With disruptions the norm, one needs to be fleet-footed and flexible to stay ahead of the curve

The acronym VUCA was created by the US Military to describe the state of the world after the cold war. Even though the term has been used to describe our present day business environment we have been very slow to respond to change and be prepared with a strategy to be ready for this disruption.

Karl Moore said "it seems the relative stable world of corporate careers

has gone the way of the dodo...One has to be more fleet of foot , strategic flexibility is what is watched for in most industries".

One needs to have strategic foresight in this VUCA world as disruptions in every sector is the norm, be it music (Apple), transportation (Uber), etc.

Hence with the above in play a CEO needs to create flexibility, humbleness, a team that breathes together and

above all on organization culture of adaptability & fair play to be able to manage the relentless pressure to innovate and keep one step ahead of competition as with technological innovation comes disruption.

The ability to manage this one needs to be exploratory with the ability & courage to experiment, test, validate as there is no clear model of success in this VUCA world.



**Shekar Viswanathan,**  
Vice Chairman and  
Whole Time  
Director, Toyota  
Kirloskar

# The auto industry in a VUCA world

VUCA is driving transformative change for all stakeholders

## T

The auto industry and all other industries associated with it have been engulfed in a VUCA world with the advent of the push given exclusively to Electric vehicles (EV). Policy initiatives such as reducing GST rates to 5% on Electric vehicles while maintaining other tax rates at 28% to 50% has certainly led to uncertainty for the internal combustion engine (ICE) based auto industry. This has also made the whole process of decision making for the auto industry very complex as customers have turned negative in their approach to ICE vehicles.

The questions bugging the auto industry are: Should it abandon manufacture of ICE vehicles and focus only on EV's or should it make both? Is the customer going to buy EV's given the lack of charging infra for the present or will he demand best in class ICE vehicles? Will fi-

nancing be available for EV's on the scale of ICE vehicles? How will the financial services industry put a residual value on EV's. Till these questions are resolved does the ICE industry cut back on production and lay off workmen?

Completing the VUCA picture is the impact on the exchequer. With such a massive reduction in taxes on EV's and the demand for ICE vehicles set to fall precipitously, will the government be able to garner enough taxes to meet its budget target?

The important point to note is that every stakeholder is affected in a VUCA world - only the quantification and timing of the impact is what every stakeholder is grappling with. The leaders of the auto industry are driving transformative change within the product line up they have and complying with regulatory changes - if they fail, the government will fail.



**Dhirup Roy Choudhary,** Managing Director & CEO, HIL

Our strategic plans are never complete until we review the potential risks VUCA poses to our business both in short term and long-term basis and continuously challenge them. Recognizing the market, political and economic realities with time and addressing them with deeper intelligences could be the difference between survival and failure.

## PREPARED FOR DISRUPTIVE CHANGE

Recognizing market realities and addressing them intelligently is the difference between success and failure

VUCA is inherent to any business - something we cannot avoid. Business threat and challenges it poses is not a calamity, but our ability as managers to learn from it - a true test of the mettle in us. In this context, HIL stands prepared in two ways: a) The enterprise value system, process and vigilance to deal with eventualities and b) The training we induct into our managers to identify these threats and handle it diligently.

Our strategic plans are never complete until we review the potential risks VUCA poses to our business both in short term and long-term basis and continuously challenge them. Recognizing the market, political and economic realities with time and addressing them with deeper intelligences could be the difference between survival and failure. Many times, planning and preparedness makes us responsive to extreme challenge-

es and at times, turn them to our benefit. "We don't react to situation; we simply act as per pre-detailed plans. The more we test your boundaries, the more is the risk from VUCA and the more we mature as an organization learning from it."

As someone rightly said: "When things do not go your way, remember that every challenge - every adversity - contains within it the seeds of opportunity and growth."

## Adapting to Complexity

Three strategy lessons from natural ecosystems



**Jay P. Desai,**  
Founder &  
Managing  
Director, UC  
STRATEGY

The global business environment is an entangled web of complexity. The opposing forces of globalisation, protectionism and internet-based collaboration have resulted in the development of a deeply inter-dependent, global, business ecosystem. Consequently, businesses are confronted with a VUCA world (volatile, uncertain, complex, ambiguous) that they struggle to decipher.

The ability of an organisation to continually adapt to this dynamic and rugged economic, social and political landscape, is now critical to its survival. Why do a few organisations survive and even thrive during turbulence, while most others are relinquished to the dustbin of business history? Sobering statistics show that 99% of all companies that have ever existed in the history of business, are now extinct.

A significant but almost invisible analogy is that the inter-connected

The ability of an organisation to continually adapt to this dynamic and rugged economic, social and political landscape, is now critical to its survival.

global business ecosystem now very closely mimics a natural ecosystem (often referred to as a complex adaptive system). The VUCA world that businesses face, however, pales in comparison to the temporal and spatial scale of the complexity of natural ecosystems. The assortment of adaptive strategies that species have unknowingly deployed over the past 550 million years in the natural process of evolution, are therefore worth a close examination.

Using the metaphor of a natural lens it becomes clear that organisational strategies should not purely be modeled on linear "newtonian" logic, so deeply embedded in management thinking. Three key "adaptive strategies" emerge to be important for consideration:

1. Activate Fitness Landscape - navigate the rugged business landscape with strategies that explore adjacencies (adaptive walks) and diversification (random jumps)
2. Adopt Emergent Strategies - capitalise on opportunistic events (disruptive accidents), not just relying on planned/ deliberate strategies
3. Acquire Multiple Strategies - run multiple, divergent business strategies simultaneously (parallelism) as far as possible.

This "adaptive strategy" approach can help build organisational resilience in a VUCA world.

## Navigating challenging business environments

Strategies must be open to change, but true to core organizational values

With an ever-rising demand in the world, volatility, uncertainty, complexity and ambiguity appear to be woven into the fabric of businesses. Changing market dynamics and rapidly moving trend trajectories have made today's business scenario very challenging to thrive in.

However, in my opinion, this is the best possible environment to grow and evolve a business into a brand. Strategies have to be made to

pave the path towards goals, but they have to be agile, adaptable to any change in business while upholding core values like quality, performance etc.

As a business leader, I believe that challenges should be acknowledged while identifying the goals. A perfect business strategy is the sum of solutions that turn challenges into opportunities.

You would also need to continuously improve your knowledge of the

changing business topography. And as a leader, you would have to uphold and practice honesty and transparency with your team and clients.

Lastly, the only way to reach your goals or even surpass them in this challenging market is to be one with your team. So, share your vision with your team, let them be inspired by your belief in your own dreams, ideas, and actions and it will lead your business to success."



**Gyanesh Chaudhary,**  
Managing Director &  
CEO, Vikram Solar



**Prashant Nagre,**  
CEO, Fermenta  
Biotech

## Managing in a VUCA World

Creating shared value in a VUCA world ensures business continuity

In a world wrought with the VUCA parameters, here is how to create shared value and ensure business continuity:

**Volatility:** In a state of dynamic instability such as price fluctuations, it is imperative to make the following investments that match the risk of rapid changes:

- Devote time and resources to preparedness - stockpile inventory
- Use data analytics to minimize the unpredictability

**Uncertainty:** A lack of clarity for the future, like a potential competitor's entry into the market, can be

- dealt in the ways below:
- Maintain flexibility in your strategy
- Invest in information such as primary research and market reports

**Complexity:** Making sense of the multitude of variables, such as a new geography with unfamiliar regulatory norms, can be done by acquiring know-how through internal and external sources:

- Bring in specialists in your human capital
- Collaborate with partners who know the environment

**Ambiguity:** In cases when precedents are unknown or nonexistent, like when launching a new product outside your core competency in emerging markets, navigate through the fog by:

- Setting incremental and clear goals for employees
- Being open to new and divergent ideas

Whatever the state your business is in, maintaining clear communication with all stakeholders is the key to sustainable growth.



**Ambati Venu,**  
MD, Abbott India Limited

## The Agility Advantage

Operating in a VUCA world is not new in healthcare - the industry has always been dynamic with rapid adoption of technology and information. What keeps us steady in this environment are two things: our customers and agility. At Abbott, we are guided by our mission to help people live their best lives through the power of good health. To do this, we have to put the people who use our products in the middle of our decision-making. And to truly deliver on this promise, we have to act with speed and proactive agility, both in strategy and operational execution. One way we do this is by promoting the free flow of dialogue within our teams through reverse mentoring and internal think-tanks. An idea or solution can come from anywhere, and we encourage intrapreneurship. This builds excitement and trust within the organization and helps us achieve our mission to deliver great products for people in India."



**Satyakam Arya,**  
Managing Director &  
CEO, Daimler India  
Commercial Vehicles

## Embracing change

Organizational agility holds the key to fulfilling evolving customer needs

The automotive industry will be at the pinnacle of VUCA in the next 10-15 years which could primarily be overcome by transforming the landscape of how traditional businesses are run. This means that an organization should allow its people to embrace a future that will emerge; without having a traditional cause and effect. Organizations that resist change, expect definitive paybacks will not be able to embrace this environment. This calls for organizations to have an appetite for failure as well as agility to quickly change course like a start-up to fulfill ever evolving customer needs. The mantra will be to rapidly prototype, pilot, and launch, or go back to the drawing board.

At DICV, we have launched "THE FARM", an initiative to cultivate innovation and drive an entrepreneurship mind-set internally - making our people partners in this transformative journey. We are further

nurturing a swarm culture to erase hierarchical boundaries wherein people of different competencies engage towards developing new ideas into market ready solutions. These competencies can be broadly classified as disruptors (people who bring innovative ideas), scalars (people who can quickly scale the idea into a viable business), and executioners (people who can run the business efficiently on a day-to-day basis). Similarly, we will be extending our engagement with premier institutions and set-up a start-up incubation cell.

From a leadership perspective, it would be of utmost importance for us to provide a clear vision, necessary atmosphere and resources to support our people, while staying focused on long term values and purpose with the customer always at the center. This calls for a cultural shift to drive efficiencies throughout system and the ability to handle unpredictable situations.