

## NCLAT allows GE to sell stake in Baker Hughes with riders

PRESS TRUST OF INDIA  
NEW DELHI, AUGUST 27

THE NATIONAL Company Law Appellate Tribunal (NCLAT) on Tuesday allowed General Electric (GE) to sell a controlling stake in its step-down subsidiary Baker Hughes LLC, but said the sale will be subject to the final order on the petitions filed by the global conglomerate's Indian JV partner Triveni Turbine Ltd.

A three-member bench headed by Chairperson Justice SJ Mukhopadhyaya also said that such sales should not affect the business of Triveni Turbine Ltd and its JV firm GE Triveni Ltd (GETL). GETL is a partnership between GE and Triveni Turbine formed in the year 2010. The appellate tribunal said it allows Baker Hughes and GE to transfer the title of all the shares to any party without affecting the business of appellant Triveni Turbine and the JV firm GETL. It further said that such sale "should not affect all the five agreements entered into among parties".

## Long-standing issues not 'resolved', Jharkhand industry highlights govt 'insensitivity'

ABHISHEK ANGAD  
RANCHI, AUGUST 27

LAST WEEK, the Federation of Jharkhand Chamber of Commerce and Industries (FJCCI) put up several hoardings in parts of Ranchi targeted at the state government's "insensitivity" towards businesses, with the words: "Vyapariyon ki maamlik pukaar, ab to sudh lo sarkaar" (moving call from business people, hear us now, government).

FJCCI, which has over 80 trade and industries associations affiliated to it, said this was done to remind the government of the problems faced by businesses in the last few years, which include failure of single window clearances for businesses, red tapism, electricity shortages among others.

"In the last 11 months, we had several correspondence with the government on various issues concerning us. Things were delayed due to elections. However, there was no resolve to solve the issues even after elections and we had to resort to putting our views in the hoardings... We are not in confrontation with the government, but we just want them to listen," Deepak Maroo, president, FJCCI told *The Indian Express*.

He added that the claims of hassle-free business after the 'Momentum Jharkhand' summit "is a farce". "The policy declaration followed by Momentum Jharkhand was to promote investment in the state, especially through promotion of local entrepreneurship. This was the whole idea... a contributing factor in make in India call of PM. However, the sense one is getting on the ground is entirely different."

According to a FJCCI correspondence sent to Jharkhand industries secretary K Ravi Kumar, dated June 29, one Ravi Kumar Bunnwal of Arindam Fashion, who had set up garment unit and had successfully bid for another plot, is being "harassed", although he had proposed to invest Rs 3 crore.

## 'CCI to assess media sector'

REUTERS  
NEW DELHI, AUGUST 27

THE COMPETITION Commission of India (CCI) plans to conduct an assessment of the country's media and broadcasting sector to ensure that any competition concerns are identified and resolved swiftly, a government document seen by Reuters showed.

The study, which a source with direct knowledge of the matter said is not linked to any ongoing investigation, will examine the competition landscape in the sector. "This (study) would ensure that new practices and technologies in this dynamic sector, which may be affecting competition adversely, are identified quickly and remedial measures... are adopted fast," the CCI said in the document.

The CCI did not respond to a request for comment.

The watchdog is in the process of choosing an independent agency to conduct the study on its behalf, the source said.

### BOARD IS SET TO MEET ON AUGUST 30

## DHFL loans may be converted to equity

ENS ECONOMIC BUREAU  
MUMBAI, AUGUST 27

DEWAN HOUSING Finance Corporation (DHFL) on Tuesday said it would consider converting loans into equity. The NBFC's board is set to meet on August 30 to discuss the proposal.

The resolution plan, awaiting a sign-off from a few categories of lenders, has reportedly pencilled in a new management team. Bankers, it is understood, want Kapil Wadhawan to step down as chairman and managing director of DHFL; moreover, they want him to reduce his stake to below 10 per cent. The promoter, bankers familiar with the plan said, would also be required to pledge a part of their remaining stake to lenders (which would be below 10 per cent). The promoter group holding in DHFL is 39.21 per cent.

Other terms of the resolution plan include the transfer of bad debt into a fresh entity or a conversion into a new instrument. This so-called 'bad' debt

- Slum Rehabilitation Authority loans and developer loans could get converted to an equity, or semi-equity instrument like Cumulative Redeemable Preference Shares (CRPS). Thereafter, part of the good debt within DHFL could also further get converted to equity from debt.

An exchange notice by the company said, "We wish to inform that a meeting of the board of directors of the company is scheduled to be held on Friday, 30th August, 2019, inter-alia, to consider and approve the proposal for issuance of equity shares and/or other securities of the Company including by way of preferential issue, pursuant to a conversion of debt to equity under the proposed resolution plan, or any other permissible mode or a combination thereof through issue of prospectus and/or placement document and/or letter of offer and/or any other permissible/required offer document, and/or alteration of terms of existing securities of the company." **FE**

### 54 PAISE SURGE

## At 71.49/\$, rupee posts biggest single-day gain in five months

ENS ECONOMIC BUREAU  
MUMBAI, AUGUST 27

THE RUPEE on Tuesday surged 54 paise to close at 71.49 against the dollar following the Reserve Bank of India's decision to transfer Rs 1.76 lakh crore to the government. This is the biggest single-day gain seen by the currency in five months.

Dealers said the decision by RBI to transfer capital to the government has provided comfort to a market that was concerned over a potential increase in government borrowings that could have impacted the fiscal deficit.

The central bank's transfer includes Rs 1.23 lakh crore of surplus for 2018-19 and Rs 52,637 crore of excess provisions identified as per revised Economic Capital Framework. The Union Budget had targeted Rs 90,000 crore as surplus transfer from the RBI. With the

## Sensex, Nifty end higher

*Mumbai:* The stock markets rallied for the third straight session on Tuesday as concerns on the country's macro situation eased after the Reserve Bank of India said it would transfer surplus capital to the government. Moreover, the growth measures announced last Friday continued to cheer the sentiment.

The BSE benchmark Sensex ended 147.15 points,

or 0.39 per cent, higher at 37,641.27 — a near three-week high level. During the day, the index hit a high of 37,731.51 and low of 37,449.69.

Similarly, the broader NSE Nifty rose 47.50 points, or 0.43 per cent, to 11,105.35. The gauge touched an intraday peak of 11,141.75 and low of 11,049.50. Sensex has gained 940 points or 2.6 per cent in two sessions. **FE & PTI**

amount now rising to Rs 1.76 lakh crore, there would be a surplus of about ₹86,000 crore, a Care Ratings report said.

It is noteworthy that the Rupee closed near its intraday high of 71.45 against the greenback, indicating a potential strength in upcoming days.

This comes after the currency closed below the 72-mark on Monday to touch a nine-month low.

MS Gopikrishnan, independent currency expert, said traders were worried about the additional capital requirement of the government as they an-

nounced off-shore borrowings in the Budget.

"The RBI's decision to transfer the capital has provided some relief to the markets. There is a hope that by and large this amount will take care of the government's requirement," he said.

The onshore Chinese yuan, which has been influencing the rupee movement in recent times, fell to 7.16 against the dollar on Tuesday. Market experts believe the RBI has been intervening in the forex markets over the last few days.

KN Dey, managing partner, United Financial Consultants, said the rupee closed stronger because of the unwinding of long positions by some corporates and banks on Tuesday.

"But going forward, the Rupee might again turn back to 72 levels on account of weak Chinese yuan, which is still depreciating consistently," he indicated. **FE**

## 'Auto component industry may see single-digit growth'

**₹3.5 LAKH CR INDUSTRY**  
The industry's topline growth is likely to recede to half in the next two fiscals, though tighter safety and emission norms for original equipment makers (OEMs) could give partial relief to the Rs 3.5 lakh crore industry

■ An analysis of around 300 Crisil-rated component firms, which account for almost 40% of the industry's revenues, reveals that capex spend will be discretionary and could be around 15% lower at Rs 12,000 crore in

Auto component industry is projected to register a lower 5-7% compounded annual growth rate over the fiscals 2020 & 2021 as against 12% in preceding two fiscals amid slump in vehicle sales, Crisil said



fiscals 2020 and 2021, compared with the preceding two fiscals.

■ Production volume of OEMs is estimated to either de-grow or log low single-digit growth at best in the next two years. Higher insurance costs, lower availability of finance and low growth in rural wages is affecting off-take in FY20

■ Vehicle demand is also likely to be impacted by the new safety norms applicable in FY20, and the BS-VI emission norms, which come into effect from April 2020

## Not looking at any capitalisation right now: SBI

ENS ECONOMIC BUREAU  
MUMBAI, AUGUST 27

DAYS AFTER Finance Minister Nirmala Sitharaman announced an upfront capital infusion of Rs 70,000 crore to boost lending at public sector banks (PSBs), Arijit Basu, MD (commercial clients group), State Bank of India (SBI), said on Tuesday the bank does not need capital from the government.

"For SBI, we are not looking at any capitalisation right now as we are well capitalised and

**"For SBI, we are not looking at any capitalisation right now as we are well capitalised and we have been able to raise from the market. We have announced our programme for both tier I and tier II bonds"**

ARIJIT BASU, MD (COMMERCIAL CLIENTS GROUP) STATE BANK OF INDIA

we have been able to raise from the market. We have announced our programme for both tier I and tier II bonds," Basu said on the sidelines of an event organised by industry body Indian Chamber of Commerce (ICC).

He added the fund infusion is meant for banks which may

in the economy.

To that extent, Basu said the announcement of revival measures by the government was a timely one as it comes ahead of the festive season when consumption typically picks up.

The Centre on Friday had announced a clutch of measures for liquidity-starved micro, small and medium enterprises (MSMEs), including immediate release of Rs 30,000 crore or half of the Rs 60,000-crore dues held up by public sector units (PSUs), 75 per cent of arbitration awards and pending GST refunds within 30 days. **FE**

## PNB, Allahabad Bank launch loan products linked to repo rate

PRESS TRUST OF INDIA  
NEW DELHI, AUGUST 27

LEADING STATE-OWNED lender Punjab National Bank (PNB) and Allahabad Bank on Tuesday announced linking of their retail loans with the Reserve Bank's repo rate, which will make loans cheaper.

PNB launched the PNB Advantage, a retail lending scheme linked with the repo rate effective Tuesday.

"In the new schemes rate of

interest will be 0.25 per cent less than the existing applicable rates based on MCLR. The new rates will vary from 8.25 per cent to 8.35 per cent for housing loan borrowers and 8.65 per cent for car loan borrowers," PNB said in a statement.

Existing customers of the bank will also have an option to switch over to new Repo Linked Lending Rates (RLLR) with minimal charges, it said.

Allahabad Bank said it has benchmarked its loans up to Rs 75 lakh with the external bench-

mark linked rates (EBLR), comprising the repo rate as one of its constituents.

To ensure quicker transmission of policy rate adjustments, the bank has decided to price its housing loans up to Rs 75 lakh and Mudra loans sanctioned with effect from September 1, 2019, with reference to EBLR, Allahabad Bank said in a regulatory filing.

The EBLR is made up of RBI's repo rate — at which the banking regulator gives short term loans to banks — an average of last ten years net interest margin of the

bank rounded off to the nearest 5 basis points and credit risk premium on internal credit risk rating. "However, the borrowers shall have the option for either marginal cost of funds based lending rates (MCLR) linked loan or EBLR linked loan at mutually acceptable terms," the bank said in the filing.

Also, all the saving bank deposits of Rs 40 lakh and above will be linked with external benchmark with effect from October 1, 2019, it added.

The announcements come

### BRIEFLY

## Bid for 3 assets: SAIL extends deadline again

*New Delhi:* Steel Authority of India Ltd (SAIL) has extended the deadline to submit bids for stake sale in its three assets to September 10. The last date for submission of EoIs for its three plants was August 1, which was later extended to August 20. The date for submission of expression of interests (EoIs) physically for the three SAIL assets has been extended to September 10, the firm said.

## Amazon deal to help payments side: Biyani

*Mumbai:* Future Group founder Kishore Biyani said Amazon's investment in the firm is not just to raise money but also to become a part of the ecosystem. "We had subscription warrants of our company and we had to raise money, so the deal was struck. Moreover, the investment by Amazon is strategic to become a part of the ecosystem," Biyani said.

## Harley launches BS-VI norm compliant bike

*New Delhi:* American cult bike maker Harley Davidson on Tuesday launched its first BS-VI emission norm compliant bike, Street 750, in India priced at Rs 5.47 lakh.

## Sandbox: Irdai sets up single point of contact

*New Delhi:* The Insurance Regulatory and Development Authority of India (Irdai) has set up a single point contact for its regulatory sandbox (RS) initiative, wherein FinTech firms can seek permission to experiment with innovative approaches for the growth of the sector. **PTI**

## Google job search tool under EU lens

*Brussels:* EU regulators are checking Google for Jobs to see if the firm unfairly favours its fast-growing tool for searching job listings, Europe's antitrust chief said on Tuesday. **REUTERS**

## Oklahoma opioid trial: J&J liable for \$572 mn

HEIDE BRANDES & NATE RAYMOND  
NORMAN, OKLA./BOSTON, AUGUST 27

AN OKLAHOMA judge on Monday ordered Johnson & Johnson (J&J) to pay \$572.1 million to the state for its part in fuelling an opioid epidemic by deceptively marketing addictive painkillers, a sum that was substantially less than investors had expected, driving up J&J's shares.

The state's attorney general had filed the lawsuit, seeking \$17 billion to address the impact of the drug crisis on Oklahoma. It had been considered a bellwether for other litigation nationwide over the opioid epidemic.

"The expectation was this was going to be a \$1.5 billion to \$2 billion fine," said Jared Holz, healthcare strategist for Jefferies & Co. "\$572 million is a much lower number than had been feared." Johnson & Johnson said it

would appeal the decision. Shares of J&J were up 2 per cent in extended trading following the decision, after an initial gain of more than 5 per cent.

Other drugmakers that sell opioid painkillers and are defending against similar lawsuits also rose after-hours, including Teva Pharmaceutical Industries Ltd up 2.6 per cent, and Endo International Plc, up 1.4 per cent higher.

Opioids were involved in almost 400,000 overdose deaths from 1999 to 2017, according to the US Centers for Disease Control and Prevention. Since 2000, some 6,000 Oklahomans have died from opioid overdoses, according to the state's lawyers.

Roughly 2,500 lawsuits have been brought by states, counties and municipalities nationally seeking to hold drugmakers responsible for opioid abuse nationwide. Oklahoma's case was the first to go to trial. Some drugmakers have chosen to settle cases. **REUTERS**

## 'E-comm norms to be mandatory under Consumer Protection law'

ENSECONOMICBUREAU  
NEW DELHI, AUGUST 27

THE GOVERNMENT has decided to make the draft e-commerce guidelines mandatory under the new Consumer Protection Act, in which stringent action has been prescribed against violators. The proposed guidelines for e-commerce firms entail a 14-day deadline to effect refund request, mandate e-tailers to display details of sellers supplying goods and services on their websites, and moot the procedure to resolve consumer complaints.

As per the draft guidelines on e-commerce, the companies are required to submit a self-declaration to the Consumer Affairs Ministry stating that they are conforming with the guidelines. Among other key guidelines, the companies will also be required to ensure that personally identifiable information of customers are protected and should not directly

**"The draft guidelines on e-commerce will be made part of the rules under the new Consumer Protection law. Once included under rules, the guidelines become mandatory"**

RAM VILAS PASWAN  
CONSUMER AFFAIRS MINISTER

or indirectly influence the price of the goods or services and 'maintain a level playing field.'

"The draft guidelines on e-commerce will be made part of the rules under the new Consumer Protection law. Once included under rules, the guidelines become mandatory," Consumer Affairs Minister Ram Vilas Paswan told reporters. He discussed the guidelines with some MPs to address their concerns as his Ministry officials are currently in the process of drafting the rules to implement the

law. The Ministry has targeted to implement the Act by December and already sought feedback from stakeholders by September 15 on the draft guidelines. "Every MP's view was that e-commerce guidelines should be incorporated as part of the rules under the new law. We are accepting their suggestion," Paswan said.

According to Consumer Affairs Secretary Avinash K Srivastava, the Central Consumer Protection Authority (CCPA) — which will be established to promote, protect and enforce consumer rights under the new law — will take action against violating e-commerce firms. "Consumer courts too have powers," he said.

The Consumer Protection Bill 2019, passed recently in Parliament, seeks to establish CCPA and also envisages simplified dispute resolution process, deals with 'product liability' and provides for stiff punishment to check misleading ads and adulteration. **FE**

## Ferdinand Piech, architect of Volkswagen's global expansion, dies aged 82

REUTERS  
NORMAN, OKLA./BOSTON, AUGUST 27

FERDINAND KARL Piech, Volkswagen AG's former chairman and chief executive, who transformed the German company from a struggling midsize carmaker into a global automotive powerhouse, has died, his wife said in a statement.

Piech, 82, who had 13 children by four different women, died suddenly on Sunday, his wife Ursula said. A brilliant engineer, Piech turned around VW after betting on a modular construction technique which allowed Audi, Skoda and VW brands to share up to 65 per cent common parts, helping Volkswagen Group, the world's largest carmaker by sales, to attain greater economies of scale.

"The life of Ferdinand Piech was shaped by his passion for au-

tomobiles and for the employees that create them. He remained an enthusiast engineer and car lover until the end," Ursula Piech said in the statement.

Under Piech's leadership, VW emphasised engineering brilliance ahead of profits, and went on an expansion spree, acquiring high-margin luxury marques Bentley, Bugatti and Lamborghini in a single year.

"First and foremost I always saw myself as a product person, and relied on gut instinct for market demand. Business and politics never distracted me from the core of our mission: to develop and make attractive cars," Piech wrote in his autobiography.

For his entire career Piech took huge risks as a way to eclipse his grandfather, Ferdinand Porsche, the father of the iconic Volkswagen Beetle as well as the founder of the sports-car manufacturer which still bears his name.