

MAY RESULT IN LOWER YIELDS FOR THE AIRLINE

DGCA imposes load penalty on IndiGo's Delhi-Istanbul route

PRANAV MUKUL NEW DELHI, SEPTEMBER 20

PRE-WINTER WINDS from the west this year have come as a curse for India's biggest airline IndiGo, with the aviation safety regulator asking the airline to fly to destinations for which it needs to fly into the Westerlies with a load penalty.

The A321neo plane burns more fuel than its smaller sibling, thus requiring a higher revenue per available seat kilometre to generate sustainable yields

the 186-seater A320neo planes and to 173 people on the 222-seater A321neo aircraft.

"The load penalty has been imposed for the next 2-3 months till the situation improves to ensure passenger safety and convenience," the official said.

west, are generally encountered by aircraft in the months ahead of winters. While for those aircraft that are flying towards the east, the winds, also known as jet-streams, provide a tail push that allows planes to gain speed without burning more fuel, these winds are a problem for pilots flying into them as the aircraft encounter significant drag.

For IndiGo, which operates two daily flights to the Turkish capital from Delhi, the load penalty could result in lower yields — particularly for the A321neo that typically burns more fuel than its smaller sibling and therefore demands a higher revenue per available seat kilometre to generate sustainable yields.

In an episode that tested the limits of the largest aircraft in the airline's fleet, checked-in baggage of several passengers on "few" of IndiGo's Delhi-Istanbul flights last week was left behind on account of "exceptionally heavy headwinds" on the route. When aircraft fly into headwinds, they consume more fuel. To operate a non-stop flight on a route with heavy headwinds, an aircraft needs to carry higher amount of fuel, especially for those with a distance that is on the higher end of the aircraft's flying range.

Kamath to head ABC

ENSECONOMIC BUREAU NEW DELHI, SEPTEMBER 20



Madhukar Kamath

THE AUDIT Bureau of Circulation (ABC) has said that Madhukar Kamath, chairman emeritus of DDB Mudra Pvt Ltd, was elected chairman of ABC for 2019-20. The decision was made at ABC's 71st Annual General Meeting.

Also at the meeting, Devendra V Darda of Lokmat Media Pvt Ltd was elected Deputy Chairman, while Riyad Mathew of Malayala Manorama Co Ltd was elected honorary secretary and Vikram Sakuja of Madison Communications honorary treasurer.

ence in advertising and marketing services and has spent over 25 years in erstwhile Mudra, now the DDB Mudra Group. Kamath formerly served as president of the Advertising Agencies Association of India, chairman of Advertising Standards Council of India and chairman of Mudra Foundation.

Civil body urges PM to reject FTA with US

ENSECONOMIC BUREAU NEW DELHI, SEPTEMBER 20

A CIVIL society group has written to Prime Minister Narendra Modi ahead of his visit to the US this weekend, urging him to reject any proposals for a potential free trade deal with the country, stating that it would hurt India's generic pharmaceuticals industry and access to affordable health care.

"We have learnt that there is a proposal to conclude a trade deal as well as eventual initiation of negotiations on Free Trade Agreement (FTA) with the US, raising serious concerns on issues regarding access to medicines and medical devices," the Third World Network stated in its letter to the Prime Minister Friday, adding that it was also aware that the US has requested specific amendments to the patent regulations here.

beyond India's obligations under the Trade Related Aspects of Intellectual Property Rights (TRIPS), stated the organisation. It would also "dilute the legal flexibilities" available to safeguard the "vital competition" that Indian manufacturers provide to bring down prices of essential pharmaceutical products, it added.

"The US demands on price control and intellectual property threaten India's public health friendly patent laws and compromise the Government's ability to fulfill its obligations on right to health which is part of Article 21 of our Constitution," it stated. 36 activists, including the All India Drug Action Network and The Delhi Network of Positive People (DNP+), have endorsed this letter.

Zomato extends Gold programme on dining out to deliveries now

ENS ECONOMIC BUREAU NEW DELHI, SEPTEMBER 20

EVEN AS food-tech firm Zomato continues to face backlash from restaurant owners over its Gold programme on dining out, the Gurgaon-based firm has extended the programme to deliveries too, according to a mail sent by Zomato to its Gold members on Friday.

As per the mail, Gold on deliveries will be applicable from Saturday and will be valid for use only once per day. Under the programme for dining out, customers would get 1+1 on drinks or food items. For Gold on deliveries, the second highest priced item will be free as long as the pre-discount bill is at least Rs 300 and the total discount doesn't exceed Rs 300.

"Launch of Zomato Gold on delivery is a desperate attempt

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by Zomato to shore up the sinking fortunes of their flagship Zomato Gold programme. It is also another instance of Zomato changing the goalpost; Gold was originally launched as a tool to promote the culture of "Dining out" but now it is being extended on delivery too," the National Restaurants Association of India said in a statement.

"NRAI continues to remain firm in its belief that Zomato Gold in its current form is an unacceptable proposition to us. We had expressed the same unequivocally to the Zomato team

in our recent talks with them. However, in utter disregard to the sentiments of the restaurant fraternity, they have chosen to extend the programme further to the delivery vertical as well. This is almost suicidal for the vertical and we appeal to all restaurants and cloud kitchens to stay away from Zomato Gold on delivery," the statement added.

Zomato has also announced changes to Gold rules on dining out by limiting Gold use by a single user to one per day and allowing a maximum of two Gold unlocks per table.

BRIEFLY

Anil Kumar Jain appointed new Coal Secretary

New Delhi: Senior IAS officer Anil Kumar Jain has been appointed the new Coal Secretary, according to a government order. Jain is a 1986-batch IAS officer of the Madhya Pradesh cadre. Jain succeeds Sumanta Chaudhuri, a 1985-batch IAS officer of West Bengal cadre. PTI

Cox & Kings defaults on CPs worth ₹30 cr

New Delhi: Tours and travel company Cox & Kings on Friday said it has defaulted on its payment obligation on commercial papers worth Rs 30 crore. The company has defaulted on payment towards maturity of unsecured commercial paper worth Rs 30 crore, Cox & Kings said in a BSE filing. PTI

Govt to set up mechanism to monitor airfare

New Delhi: Civil Aviation Minister Hardeep Singh Puri on Friday said that he has ordered setting up a mechanism to regularly monitor airfares in the country. He, however, said the government currently does not have any intention to regularise the fares. Puri said the Centre is concerned about higher taxes on aviation turbine fuel. PTI

737MAX's return still a few steps away: FAA

Washington: Boeing Co still has a series of steps to complete before the 737 MAX can return to service, including submitting a pre-production version of a software update, Federal Aviation Administration chief Steve Dickson said. He met Boeing executives on Thursday and tested revised software in a simulator. REUTERS

NY Fed to pump \$75 billion into money markets

New York: The New York Federal Reserve Bank said on Friday it will inject billions into the US financial plumbing daily for the next three weeks in an effort to prevent a spike in short-term interest rates. The Fed will offer up to \$75 billion daily in repurchase agreements. AFP

Make sure tax reduction brings in investment: Prasad to his ministries

ENSECONOMIC BUREAU NEW DELHI, SEPTEMBER 20

FOLLOWING THE announcement on corporate tax reductions, Minister of Communications and Electronics & Information Technology Ravi Shankar Prasad held a meeting with senior officials of the two ministries, asking them to follow-up on the Finance Ministry's decision to ensure that the move translates into investments in the electronics and communications sector.

With an aim to revive investments, particularly in the manufacturing sector, Minister of Finance Nirmala Sitharaman Friday announced reduction of effective corporate tax rate to 25.17 per cent. For new domestic manufacturing companies incorporated after October 1, income-tax at a rate of 15 per cent without any incentives will be applicable.

"We want India to be a hub of telecom equipment manufacturing and component manufacturing. Now, there is a robust investor-friendly taxation regime and the duty-regime has also been properly restructured. I

Minister of Communications and Electronics & IT Ravi Shankar Prasad said he has reached out to many leaders of the concerned sectors to boost investment

have instructed my department officials to follow up on this action and I have myself reached out to many of leaders of this sector," Prasad told reporters.

The minister had met senior leaders of the electronics manufacturing industry on Monday and asked them to look beyond manufacturing of mobile phones and consumer electronics to focus on strategic, defence, and medical electronics. He said on Friday that the Finance Ministry's decision is a huge boost to the government's ambitious Make in India campaign and is expected to result into increased investment in the manufacturing sector.

In-principle decision to link Aadhaar with GST registration

Panaji: The GST Council on Friday took an in principle decision to link Aadhaar with registration of taxpayers under GST and also examine the possibility of making the 12-digit unique identification number mandatory for claiming refunds.

The council also decided to withdraw a circular issued in June, which prescribed that the additional discount given by a company to a dealer in certain cases

will be liable for Goods and Services Tax (GST). As per an official release, the council also took an in principle decision to prescribe reasonable restrictions on passing of credit by risky taxpayers in order to tackle the menace of fake invoices and fraudulent refunds.

The panel also recommended suitable amendments in CGST Act, UTGST Act, and the corresponding SGST Acts in view of creation of

TO EXAMINE IF IT CAN BE MADE MANDATORY FOR REFUNDS

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UTs of Jammu & Kashmir and Ladakh. Meanwhile, during the

meeting, 15th Finance Commission Chairman NK Singh

suggested that the council should deliberate on having either one, or at maximum two slabs under the GST regime.

He also pitched for hiking tax rate to meet the necessary revenue requirements. The Finance Commission also suggested building necessary consensus among the states to bring petroleum products, alcohol and electricity under the GST as soon as possible. PTI

RBI hikes loan cap to ₹40 cr for small exporters

PRESS TRUST OF INDIA MUMBAI, SEPTEMBER 20

AIMING TO boost credit supply to small exporters, the Reserve Bank on Friday enhanced the loan sanctions limit qualifying as priority sector lending by banks to Rs 40 crore per borrower.

The limit was capped at Rs 25 crore per borrower earlier, according to a notification.

It can be noted that the RBI and the government have been taking a slew of measures to spur economic growth, which has dipped to a six-year low. The RBI has also decided to remove the existing criteria of units having turnover of up to Rs 100 crore as part of the changes.

The changes have been done "to boost credit to the export sector", the central bank said in the notification.

Priority sector lending is a

mandatory requirement under which lenders are required to devote a portion of their advances to empower focused groups of the economy. All sectors put together, this adds up to 42 per cent of the total lending for each bank.

Meanwhile, the RBI prescribed a turnaround time (TAT) for banks to settle failed transactions for customers and also notified compensations payable for various types of customer

complaints. The financial compensation should be done suo motu by the bank, without waiting for a complaint or a claim by a customer, the RBI said. The central bank had first announced a move to harmonise TAT this April for resolving customer complaints and compensation after observing that time taken for resolving customer complaint varies across payment systems.

US lifts tariffs on 400 Chinese products

REUTERS WASHINGTON, SEPTEMBER 20

US PRESIDENT Donald Trump said his administration was "making a lot of progress" with China on Friday, as deputy-level trade talks continued for a second day and Washington lifted tariffs on over 400 Chinese products.

Trump, speaking to reporters at a White House meeting with Australian Prime Minister Scott Morrison, said the United States was taking in billions of dollars from tariffs imposed on Chinese products, adding that the total would soon reach \$100 billion.

"I will say this: we're making a lot of progress with China," Trump said.

The United States Trade Representative's office issued three Federal Register notices exempting a wide range of products from tariffs in response to requests from US companies, which argued that the levies would cause economic hardship.

The 437 exempted products range from printed circuit boards for computer graphics processors to dog collars, laminated wood flooring and miniature Christmas lights.

Privatisation is not the panacea for all our problems: Goyal

PRESS TRUST OF INDIA MUMBAI, SEPTEMBER 20

UNION MINISTER Piyush Goyal on Friday batted for continued government ownership in banks and other key industrial areas saying privatisation is not the panacea for all the ills facing the economy as the private sector is plagued with more scandals than their state-run peers.

Chairing a panel discussion at an India Today event here this evening, he said, "there are more scandals in private banks today than we have in public sector banks. There are more scandals coming out of private sector companies and private sector-run non banking finance

Sebi tightens rules for debt mutual funds

PRESS TRUST OF INDIA NEW DELHI, SEPTEMBER 20

SEBI ON Friday made it mandatory for liquid schemes to hold at least 20 per cent in liquid assets like cash and government securities in the wake of recent credit crisis.

The new rule, applicable

companies and housing finance companies. "Our government is trying to clean up the mess. So I don't think privatisation is the panacea for all the problems we face," he said. Lauding the role that public sector banks have played in overall economic and social development, the minister said they are the reason behind the development we see today. "They are the reason behind the national infrastructure we have across the country be it power plants or others. No private banks has given money to young entrepreneurs to start businesses but government banks that stood by them," Goyal said.

from April 1 next year, is aimed at improving risk management and ensuring sufficient liquidity, Sebi said in a circular. Besides, Sebi said that an AMC will not be permitted to charge investment management and advisory fees for the parking of funds in short-term deposits of scheduled commercial banks.

Government of India, Department of Space. Corrigendum-I. Construction & Maintenance Group Sriharikota-524124. NO:CMG/TG/F 1987028. Dt: 20.09.2019. Sub: Package (B): SPP Augmentation Project (SPAG) at SDSC SHAR (Civil, Electrical & Air Conditioning works for 8 buildings) - Reg. Ref: e_NIT No:CMG/C/F 1987028, Dt: 27/08/2019. Please note the following change in the Notice Inviting Tender (NIT) for the subject work. Value: ₹4927 Lakhs, Period: 15 Months.

Karnataka Road Development Corporation Limited (A Government of Karnataka Enterprise) No.8, "Samparka Soudha", Dr. Rajkumar Road, Rajajinagar 1st Block, Bengaluru-560 010. Telefax: 080-22024000 email: cekrdcl@gmail.com Website: http://www.krdcl.in

INVITATION FOR TENDERS (IFT) SHORT TERM TENDER NOTIFICATION (on e-procurement) Karnataka Road Development Corporation Limited (KRDC), invites bids from reputed Consultants for the following Services based on Quality and Cost Based Selection (QCBS).

table with 4 columns: Name of Work, Estimate cost for construction (Rs. in Crores), EMD Amount, Period of Services. Services include Consultancy Services for Authority Engineer for the work of "Development of Outer Ring Road for Hassan Town connecting Nelamangala - Mangalore Road (NH-75), Arasikere Road (SH-71), Halebidu Road and Belur Road (NH-373) in Hassan District, Karnataka" on EPC basis.

Rajasthan State Road Development And Construction Corporation Ltd., JAIPUR No. NIT/2019-20/18529-38. अस्फाल्ट ई-निविदा सूचना सं. 178/2019-20. निम्नलिखित परियोजना पर दो चर्च की अवधि के लिए पक्कर सलूरी टेंडर ई-निविदा प्रक्रिया से ऑनलाइन निविदा आमंत्रित की जाती है-

SBI Enterprise & Technology Architecture (E & TA) Department, State Bank Global IT Centre, CBD Belapur, Navi Mumbai - 400 614. CORRIGENDUM-VI. Please refer RFP No SBI/GITC/Enterprise and Technology Architecture/2019/2020/617 dated 23/07/2019 for "Procurement, installation, setup and maintenance of Enterprise Architecture (EA) tool". Corrigendum-VI is available under "Procurement News" at Bank's website, https://bank.sbi

SBI IT-Risk Management Department, Global IT Centre, Sector-11, CBD Belapur, Navi Mumbai - 400 614. EXPRESSION OF INTEREST. State Bank of India has issued a 'Expression of Interest' for procurement of 'Anti-APT solution' for Bank. Please see 'Procurement News' at Bank's website https://bank.sbi

SBI ePay&PG Department, SBGITC, GITC Main Building, Sector 11, C.B.D. Belapur, Navi Mumbai - 400 614. REQUEST FOR PROPOSAL. State Bank of India has issued a 'Request for Proposal' for procurement of hardware, software and services for SBIePay Application. For detailed information on the engagement, please see 'Procurement News' at Bank's website, https://bank.sbi