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Finance minister Nirmala Sitharaman slashes corporate tax rates to bring them on a par with India's rivals, sending a strong signal that Modi govt is ready to take bold steps to revive the economy. India Inc captains cheer move, as does Dalal Street with Sensex clocking biggest single-day gain in a decade

HOWDY, INVESTOR!

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Markets jumped after a long slump, India Inc was delighted and experts gave a big thumbs up as the government on Friday launched a determined, and the biggest to date, bid to reverse the slowdown.

Finance minister Nirmala Sitharaman, aiming to lift business sentiment and spur investments, slashed corporate tax rate—22% from 30% for domestic companies—and proposed a competitive 15% rate for new investment in manufacturing. In effect, she offered a ₹1.45 lakh crore fiscal boost, also sending a strong signal the government will take all steps needed to revive growth.

BSE benchmark Sensex notched up its biggest single-day gain in a decade, as sentiment boost and potential impact on investments overshadowed fiscal concerns.

Companies, however, will be eligible for the new tax rate only if they forego incentives and exemptions in force. But even for those opting for the status quo, the minimum alternate tax (MAT) was cut to 15% from 18.5%.

Companies will have the option of lower tax rate after expiry of tax holidays and concessions they are availing now. Once they choose the new tax rate, they can't go back to a concessional regime.

Prime Minister Narendra Modi termed the step to cut corporate tax rate "historic", saying it "will give a great stimulus to Make in India, attract private investment from across the globe... create more jobs".

Rates Among Lowest in SE Asia >> 4

HISTORIC MOVE, SAYS PM MODI



"The step to cut corporate tax is historic. It will give a stimulus to #MakeinIndia, attract private investment from across the globe, improve competitiveness of our private sector, create more jobs and result in a win-win for 130 crore Indians. The announcements in last few weeks clearly demonstrate that our government is leaving no stone unturned to make India a better place to do business, improve opportunities for all sections of society and increase prosperity to make India a \$5-trillion economy."

TAX TAMED, ECONOMY ON BULL RUN

6 KEY DECISIONS

1. Cut In Corporate Tax Rate

Tax Rate	Old Rate	New Rate
	30%	22%
Effective Tax Rate (incl. cess & surcharge)	30.9-34.61%	25.17%

(Rates for domestic cos)

2. Low-Tax Regime For New Manufacturing

Tax Rate	Effective Tax Rate
15%	17.01%

3. MAT Relief For Companies Staying In Current Regime

15% MAT against 18.5% earlier

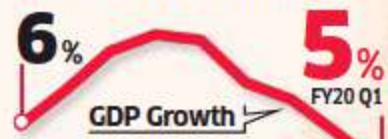
4. Surcharge Relief Incorporated In Law

5. No Tax on Buybacks Announced Before Budget

6. CSR Funds Made Available For Incubators, Universities And Research Bodies

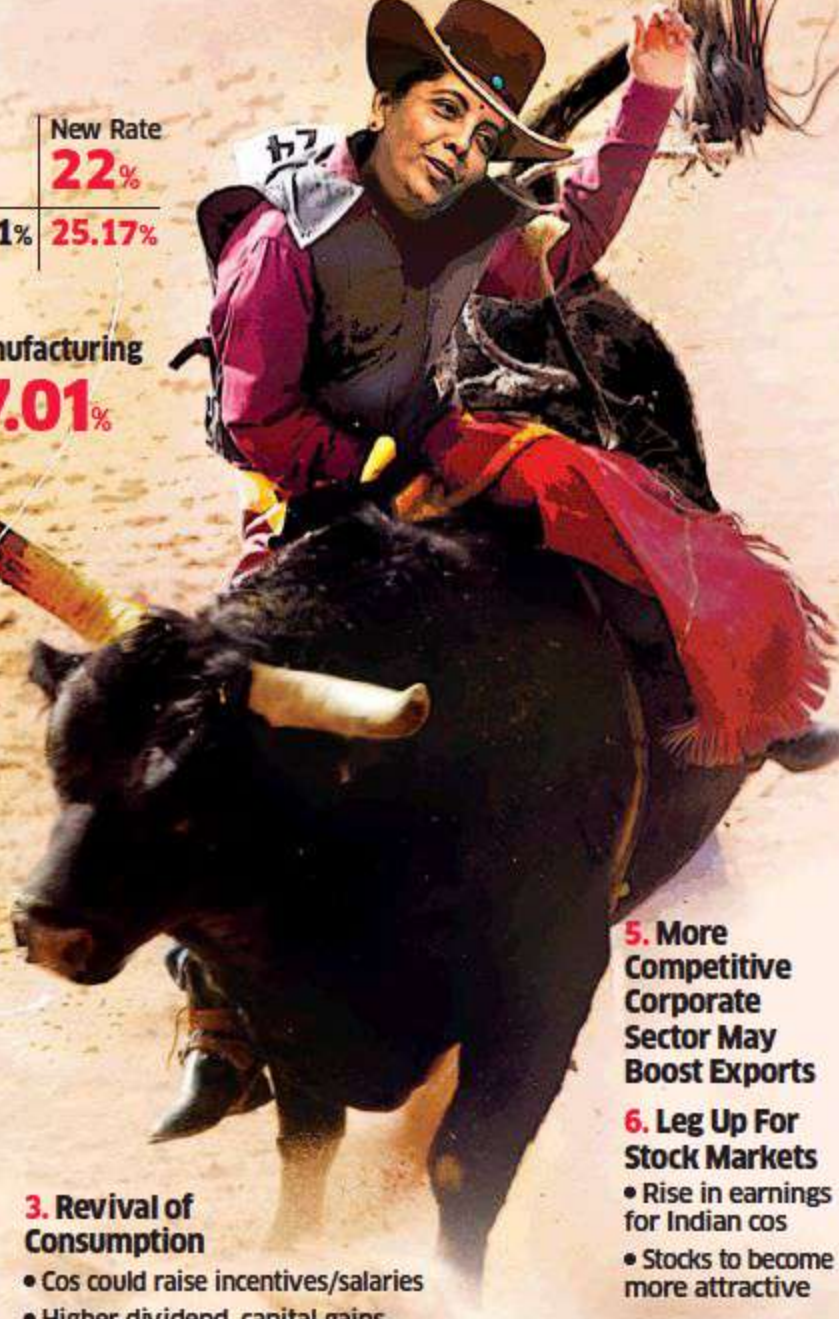
7 LIKELY GAINS

1. Brakes On Slowdown



2. Boost For 'Make In India'

- India could attract investments moving out of China
- Telecom equipment, handsets present big opportunity
- Textiles could make a comeback



5. More Competitive Corporate Sector May Boost Exports

6. Leg Up For Stock Markets

- Rise in earnings for Indian cos
- Stocks to become more attractive

7. Jobs Push

- Investments expected to create more jobs
- Rise in demand from fiscal boost may spur cos to hire

BUT FISCAL WORRIES RISE

₹1.45 lakh crore revenue foregone

- Fiscal deficit could hit 4% of GDP
- Govt may have to borrow more to meet deficit
- Interest rates could rise with more borrowings
- If spending is cut public investment/growth may suffer

Ordinance Issued To Give Immediate Effect To Proposals

Fiscal Deficit, As % of GDP

Fiscal Deficit, As % of GDP	BE
FY17	3.5
FY18	3.5
FY19	3.4
FY20*	3.3

ET IMAGING

Fisc Deficit may Go up 70 bps, Hit 4% of GDP

India's fiscal deficit could rise 70 basis points to 4% of GDP in the ongoing

fiscal year after the cut in tax rates, reports Kiritika Suneja. >> 8

Investment Revival Likely, But with a Lag

The tax cut will boost sentiment and spur investments, but a broad-based recovery may come with a lag, reports Kiritika Suneja. >> 9

ET MAGAZINE ON SUNDAY



ET WEALTH ON MONDAY



Tax Cut for New Plants to Lure MNCs Looking Beyond China

Rate on a par with that in SE Asian countries; experts want more steps

Window of Opportunity

China-US tariff war has led to many MNCs exiting China

Vietnam, Taiwan, Thailand and Malaysia have gained the most

HURDLES FOR INDIA ENTRY

High tax rates
Poor infrastructure
Stringent labour laws
Delays in land acquisition

15% tax rate on new units is on par with other South-east Asian countries

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New Delhi: With a lower tax rate for new manufacturers, the government is looking to attract investment flowing out of China following its trade dispute with the US, but experts say India needs to also remove other major obstacles for multinationals to consider it as an alternative destination to the neighbouring country.

The 15% rate—17% after including a cess and surcharge—that finance minister Nirmala Sitharaman announced on Friday is among the lowest in South and Southeast Asia. The government hopes it will make India more appealing to multinational manufacturers that are preferring countries such as Vietnam, Taiwan, Thailand and Malaysia.

More than 50 MNCs including Apple, Dell, HP and Nintendo have either partly moved out of China in the past one year, or are in the process of shifting their production bases. Even Chinese electronics company TCL has been reported

to be moving its TV production to Vietnam, while tyre maker Salun Tire is transitioning its manufacturing line to Thailand.

"Bringing down the corporate tax rate to 15% for new manufacturing is a deep cut. In the medium term it will be one of the major considerations for companies to shift base from China to India," said DK Joshi,

principal economist at Crisil. "Though the government is doing a lot to improve ease of doing business, more needs to be done as other countries are still better off than India," Joshi added.

Inadequate infrastructure, delays in land acquisitions, stringent labour laws and high tax rates have come in the way of India to benefit from the trade war between Washington and Beijing, despite the country offering a huge domestic market as well to investors.

Hindrances Remain: Experts >> 5

GST Rate Cut on Hotel Tariffs, Raised on Caffeinated Drinks

Small taxpayers get relief from filing returns for 2 yrs; no rate change for larger autos, biscuits

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Panaji: The Goods and Services Tax (GST) Council has cut taxes on hotel accommodation, outdoor catering, cut and polished semi-precious stones and lowered cess on passenger vehicles of up to 4,000-mm length carrying 10-13 people, but left the rates unchanged for larger automobiles and biscuits.

The council also removed the requirement to file returns for two years for small taxpayers, and raised the producer levy on caffeinated beverages to 28% from 18% now while also imposing a cess on it.

"Several decisions have been taken with the broader principle of making the economy more vibrant," finance minister Nirmala Sitharaman, who is also the chair-

Key Decisions

Cheer for hospitality
Lower tax rate and slab rejig for room tariffs

Tax cut to 5% on outdoor catering

Easier compliance
Small taxpayers needn't file returns
New returns only from next fiscal yr

Higher tax load
Caffeinated beverages to attract 28% tax + 12% cess

Rail wagons to be taxed at 12%, up from 5%

Minor relief for auto
Lower cess of 1-3% (on top of 28% tax) for passenger vehicles carrying up to 13 people

No decision on biscuits

man of the GST Council, said after an eight-hour meeting on Friday in Goa. The new tax rates come into effect from October 1, she said.

Three government officials attending the meeting said the proposal

to cut GST rates on automobiles in general and biscuits was not discussed. The council accepted the suggestion of the finance committee, one of the officials said. The issue of tax rates on lotteries has again been referred back to the group of ministers.

Sitharaman said the council had taken steps to promote hospitality and tourism. She said this was in line with Prime Minister Narendra Modi's Red Fort speech to accord priority to the tourism industry.

The council rejigged tax rates for hotels to help achieve the targeted expansion in the tourism industry. Hotels with room tariffs of up to ₹1,000 need not pay any GST. For those with tariffs of ₹1,001-7,500, the tax will be 12%, and for those offering rooms at more than ₹7,500 a night, the levy will be 18%.

The council not only reduced the rates, but also rejigged the slabs. Earlier, room tariffs of ₹1,001-2,500 attracted a rate of 12%; ₹2,500-7,500 attracted an 18% rate, and those costing above ₹7,500 paid tax at 28%. Outdoor catering will now pay 5% in taxes instead of 18%.

Other Rate Cuts >> 5

FPIs Get Relief from Higher Tax Surcharge

Foreign portfolio investors have been provided relief from the tax surcharge for all market transactions, reports Pavan Burugula. >> 6

MidCap, SmallCap Indices Join Party

The BSE MidCap index rose 6.3%—its biggest single-day rise since May 18, 2009, while the SmallCap index climbed 4%, the most since May 2014. >> 6

It's a Cracker of a Move, Says Festive India Inc

NATARAJAN CHANDRASEKHARAN
Chairman, Tata Sons

The finance minister has made a much-awaited announcement, reducing corporate tax rates to 22% for all companies. This is a big respite that would give the required stimulus to the economy

KUMAR MANGALAM BIRLA
Chairman, Aditya Birla Group

The decisive steps to pump-prime the economy will lead to a big reset and revive animal spirits. These will not only lead to economic buoyancy, but also make Indian industry more competitive. They reaffirm govt's willingness to pursue reforms

SUNIL BHARTI MITTAL
Chairman, Bharti Enterprises

The steps have come as a much-needed gust of fresh air to resurrect and pump-prime the economy. (They) will help kickstart the next big economic upcycle. The steps underline govt's intent to maintain India's position as the hottest investment destination

ANAND MAHINDRA
Chairman, Mahindra Group

Woke up in the US to this news. The best way to start the day. Not only because companies will pay less tax, but because this isn't just another policy tweak. India has sent an invitation letter to global investors

RAJNISH KUMAR
Chairman, State Bank of India

The big reduction in corporate taxes across the spectrum is perhaps the boldest reform in the past 28 years! The rate cut will boost corporate bottom line, and facilitate a cut in product prices

GAUTAM ADANI
Chairman, Adani Group

This is a welcome move. The reduction in corporate tax and MAT will infuse confidence in the economy. It also addresses the core challenge of illiquidity, reinstating India as an attractive investment destination

JUVENILE JUSTICE COMMITTEE TO SUBMIT REPORT TO COURT WITHIN A WEEK

SC Seeks Report on Alleged Illegal Detention of Children in Valley

The law mandates a parallel reformatory mechanism for children in conflict with law: CJI

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New Delhi: The Supreme Court sought a report from the juvenile justice committee of the Jammu and Kashmir High Court on the alleged detention of children in Kashmir during the ongoing lockdown, ignoring the Centre's claims that only one juvenile was arrested and later handed over to the juvenile justice board.

The court was acting on a petition filed by children rights activists Enakshi Ganguly and Shanta Sinha, chairperson of the National Commission for Protection of Child Rights, on the plight of children in J&K. The committee will have to re-

PETITION FILED

Plea seeks release of children picked up on suspicion of being potential stone-pelters

port to the court within a week, Chief Justice of India Ranjan Gogoi said on Friday. In the first significant intervention by the court in recent days in the issues affecting J&K since the abrogation of special status granted to the erstwhile state and its bifurcation into two union territories on August 5. So far, the court had restricted itself to allowing those wishing to visit the state to go and

check on their friends and relatives, with the rider that they desist from undertaking political activity of any sort.

The petition, filed by advocate Sumita Hazarika, has among other things sought release of the children if any who have been picked up by security forces on suspicion of being potential stone-pelters, detention only on orders of a magistrate and compensation for those injured in ac-

GOVT CLAIMS

Centre claims that only one juvenile was held & later handed over to juvenile justice board

tion taken by security forces. The court had earlier indicated that it would later deal with all substantial issues arising out of the bifurcation of Jammu and Kashmir and the allegations of the communication, movement and travel curbs affecting human rights of residents adversely. On Friday, Solicitor General Tushar Mehta argued that only one child had been detained in the state and that he had since been handed over to the juvenile justice board when his age came to light, suggesting that it may have been a one-off case involving detention of children. The CJI, however, brushed aside Mehta's objections to seek a report on the matter. The law mandates a parallel reformatory mechanism for children in conflict with the law. They cannot be detained "illegally", he said. Nor can they be kept in police stations or jails and would have to be dealt with by boards which will keep their identities secret and also counsel them if need be to cope with their problems, said the bench, which also comprised Justices SA Bobde and SA Nazeer. They will be kept in special homes as opposed to jails even if convicted, it said.

In interview to ET, Dilbag Singh says 9/10 Valley districts account for 10% incidents; PSA on Abdullah because of 'provocative' speech

90% of Incidents Confined to Downtown Srinagar: DGP

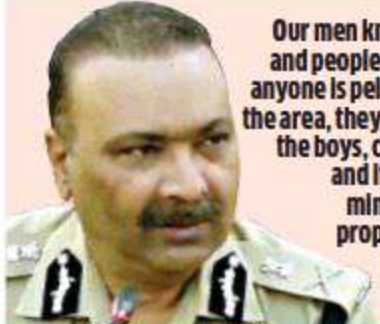
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New Delhi: Nine out of 10 districts in the Kashmir valley reported "only 10% cases", while "90% of incidents were from Srinagar, mostly downtown," Jammu and Kashmir DGP Dilbag Singh said. In an interview to ET, Singh said there was "no fixed time frame" for release of political prisoners and a decision will be taken once the "situation improves".

"There has not been a single use of firearm in the past 45 days. No one has died due to bullet injuries in the Valley. In most of the districts, not even half a dozen incidents were reported." In downtown Srinagar narrow and unapproachable roads are difficult to access. "At downtown, people like to take law and order into their hands because of which incidents of stone-pelting have been reported," he said.

Singh alleged Public Safety Act was slapped on former J&K chief minister Farooq Abdullah after his 'provocative' speech. "We had to use PSA as he gave a provocative speech (to a news channel) in the initial days. For the past one-and-a-half years, Abdullah has been making provocative speeches. Our idea is to maintain peace and public order. This is the only case where PSA was used against a politician. A tribunal will now decide on its applicability." Singh said that a strict action will be taken if Hurriyat leaders try to instigate public. "We have not allowed any political activity. How can separatists be allowed to hold press conferences? If they try to cross the line, strict action will be taken against them," Singh said when asked about invoking prohibitory orders at the Hurriyat press meet this week.

Forty-five days after rendering Article 370 ineffective, Singh said that the communication blockade was partly lifted as mobile services restarted in "14 out of 22 districts" and "landlines completely restored" in entire Jammu and Kashmir regions. "Only 5 districts of south Kashmir



Our men know the area and people very well. If anyone is pelting stone in the area, they can identify the boys, counsel them and if needed use minimum force, proportionate to the law and order situation

There are no fresh local recruitments by militants compared to previous years. Only 1 or 2 cases of missing youths from south Kashmir have come to our knowledge and they are being verified. Local militant activity in the Valley is at an all-time low

Only five districts of south Kashmir and few districts of central Kashmir have internet restrictions. Prohibitory orders have been lifted from the entire Jammu and Kashmir

NO BULLET INJURIES

'There has not been a single use of firearm in past 45 days. No one has died due to bullet injuries'

and few districts of central Kashmir have internet restrictions. Prohibitory orders have been lifted from the entire Jammu and Kashmir," Singh said.

Singh denied reports on police brutality in a section of the foreign media. "I would like to urge the media that they should report any incidents of human rights violations. They (foreign media) quietly go to people's house and tutor them to say things. ... It is likely that a stone pelt may receive injuries but police is not allowed to pick up people or torture them. Police is accessible to everyone and instructions are clear that any complaint will be taken seriously."

The DGP also defended the state's decision to not allow large congregations at mosques. "This is not new. Whenever restrictions are imposed, large congregations are not allowed to avoid any law and order issues. However, people are allowed to go to visit mosques and it will never be pro-

hibited."

Singh said, "There are no fresh local recruitments by militants compared to previous years. Only 1 or 2 cases of missing youths from South Kashmir have come to our knowledge and they are being verified. Local militant activity in the valley is at an all-time low. Their numbers used to be 300 but less than 100 now. This is the reason Pakistan is trying to push militants and there has been exchange of fire along the line of control. Scores of militants across the LOC/IB at the launch pads are looking for an opportunity to enter the Valley."

The DGP said the J&K police was a matured force handling militancy and law and order for the past 30 years. "Our response to the situation is very calculated, we never overreact. Our men know the area and people very well. If anyone is pelting stone in the area, they can identify the boys, counsel them and if needed use minimum force, proportionate to the law and order situation. In the last 45 days, only minor use of force at a few places and situation was brought under control barring half a dozen incidents where the stone pelting was of serious nature. At two to four places, we also used pellet guns. It is a non-lethal weapon and part of the law and order kit. But we use it sparingly when the situation is relatively more serious."

India to 'Soar High' if Pak 'Stoops Low' by Raising J&K at UN: Akbaruddin

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New Delhi: India will "soar high" if Pakistan "stoops low" by raising the Kashmir issue at the UN General Assembly (UNGA) session next week, the country's top envoy to the United Nations, Syed Akbaruddin, said.

He also warned that Islamabad may try to mainstream hate speech after normalising terrorism in the past. Addressing a press meet in New York early Friday morning (India time), Akbaruddin also laid out the focus and priorities of Prime Minister Narendra Modi when he arrives for the 74th UNGA session. He said a plethora of pluri-lateral, multi-lateral and bilateral engagements and meetings of the Prime

Minister will outline the examples of how India will soar higher.

The Prime Minister, External Affairs Minister S Jaishankar and Minister of State for External Affairs V Muraleedharan are expected to have an unprecedented

75 engagements over the course of next week in New York. In all, the Indian PM will have over nine key speeches at high-stage summits and pluri-lateral engagements in New York. Pakistan Prime Minister Imran Khan has vowed to raise the Kashmir issue at the UNGA session in New York on September 27. Modi is also scheduled to speak the same day.

J&K Summit Put off Due to Lack of Readiness, Say Investors

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New Delhi: Lack of peace and stability in the Valley, an uncertain economy and lack of readiness on the part of J&K administration are the main reasons for postponement of the Jammu & Kashmir summit, investor bodies told ET, even as administration officials claimed that the event was only being "postponed to become bigger and better".

The investors' summit, which was scheduled to take place in J&K from October 12-14, 2019, has been postponed to next year. The decision was announced on Thursday.

Chinmayanand Arrested But No Rape Charge, Woman Charged With Extortion

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New Delhi: The Shahjahanpur case took a twist on Friday, with the Uttar Pradesh Police saying that the BJP's former MP Swami Chinmayanand did not rape a law student but induced her into sexual relations by abusing his position of authority, and accusing the victim of trying to extort ₹5 crore from the former Union minister using a video of the sexual act.

Chinmayanand was arrested on Friday morning and charged under Section 376C of the Indian Penal Code that does not amount to rape but can put him behind bars for up to 10 years. The Special Investigation Team (SIT), however, added a twist naming the victim in another FIR for being involved

in the plot to extort ₹5 crore from Chinmayanand through calls and messages on WhatsApp.

The SIT produced a video, which showed the woman massaging Chinmayanand, claiming it was major proof against him and saying the same video was used by the woman and three of her friends to try to extort money from the former BJP MP.

"Chinmayanand had confessed to having vulgar conversations with the victim and getting massages from her, as per the video. He said he was too embarrassed about what he had done and did not want to say anything more," said SIT chief Naveen Arora.

NO LIST GIVEN TO UNHRC YET

Pak Fails to Prove Claim of 58 Nations' Support on J&K

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New Delhi: Pakistan has failed to prove its September 10 claim in the United Nations Human Rights Council (UNHRC) session that it has support of 58 countries on the Kashmir issue. According to rules, Pakistan had to submit the signed list of 58 countries by a certain period in support of its claim.

ET has reliably learnt that Pakistan had failed to submit this list of as per deadline in the earlier part of this week. On September 10, Pakistan foreign minister Shah Mehmood Qureshi claimed in Geneva that it had the support of 58 countries on the Kashmir issue. Pakistan Prime Minister Imran Khan seconded the view. Sources, who did not wish to be quoted, told ET that the Pakistan bluff had been exposed and the claim was nothing but a farce. Experts on UN matters expressed scepticism over the opaque process, which allowed Pakistan to claim support of 58 countries in the early part of the September 9-27 session of the Council in Geneva. ET had first reported Pakistan's effort for a resolution on Kashmir in the 47-member UNHRC did not fly as it failed to garner minimum support of 16 nations for admission of the request on Thursday, the last day for bringing such an initiative during the ongoing session. On

India, US Focus on PM Security Amid Protest

NEW DELHI: India is in constant touch with the US State Department to ensure appropriate security for Prime Minister Narendra Modi in Houston amid protests allegedly orchestrated by Pakistan. Pro-India activists on social media claim that scores of protestors are being brought in by organisers from mosques and Islamic centres to rally against Modi and US President Donald Trump. —OPB

September 10, Pakistan's three attempts — a statement by its foreign minister, an appeal to OIC and an appeal on behalf of 58 countries — did not yield any results. India had reached out to each of the 45 other members of the Council explaining the rationale behind abrogation of Article 370.

OTHER NEWS OF THE DAY

Sardar Patel Award for Promoting National Unity, Says MHA

NEW DELHI: The Sardar Patel National Unity Award, a new honour on the pattern of Padma awards for promoting national unity, will be bestowed on individuals or institutions for notable contributions towards the cause of the country's unity and integrity, the home ministry said on Friday. The award will be in the shape of a lotus leaf, six centimetres in length, six and two centimetres at its greatest breadth and four millimetres in thickness. It shall be of fine silver and gold. On its obverse will be embossed a replica of the lotus with petals. The words 'Sardar Patel National Unity Award' will also be written in Hindi. Prime Minister Narendra Modi had announced the institution of the award last December at the annual conference of DGPs and IGP held at Kevadiya in Gujarat, where a giant statue of Vallabhbhai Patel is located. —OPB



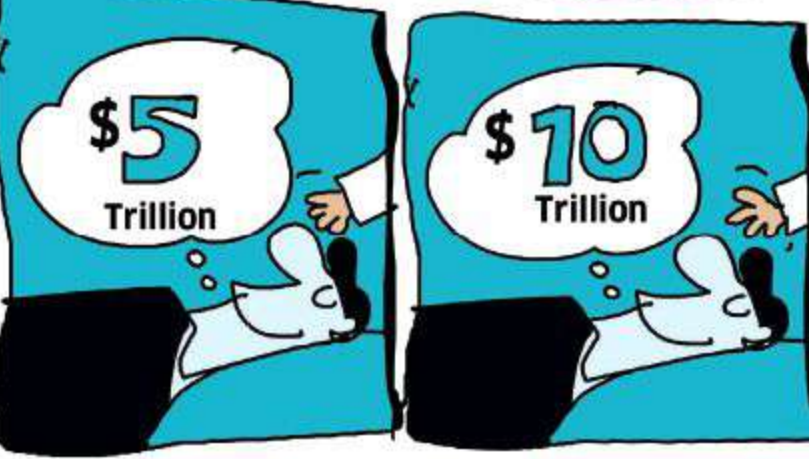
Shah Bats for Speedy Trial of Sexual Crimes

NEW DELHI: Union home minister Amit Shah on Friday asked the states to adhere to the time limit of two months for investigation and inquiry trial in cases of sexual offence rape against women and children. While speaking at the 29th meeting of the Northern Zonal Council at Chandigarh, he also urged the states to come up with improvements in Indian Penal Code and Criminal Procedure Code (and sought intervention by chief ministers to ensure regular monitoring of investigation). —OPB

Week's a Long Time

ET takes a look at events that shaped national and state politics over the past seven days

ANIRBAN BORA



SUITABLE CHANNELS OF COMMUNICATION WITH PAKISTAN NEED TO BE KEPT OPEN

A Paradigm Shift in Dealing With Pakistan



G PARTHASARATHY

People across India will look back on 2019 as the year when we surprised the world by showing that we had the courage, capability and the will to take actions earlier considered "unthinkable". On February 26, Mirage 2000 jets of the IAF attacked and destroyed a major training centre of the Jaish-e-Mohammed at Balakot. This unprecedented attack destroyed the myth that any such action could lead to a nuclear conflict. The regular threats of nuclear escalation by the likes of Imran Khan have, unfortunately, been taken more seriously than warranted, by self-styled "intellectuals" and even by sections of the media, in India. Home minister Amit Shah announced on August 5 that India was going to enact legislation to bifurcate J&K into two union territories, comprising the Jammu and Kashmir division and Ladakh. Pakistan's politicians went ballistic, with some politicians and others with radical Islamist inclinations threatening possible nuclear escalation.

New Delhi remained unmoved by Pakistani nuclear threats and rhetoric, led by Prime Minister Imran

Khan. The reality is that Pakistan has a professional and streamlined nuclear command structure, with its nuclear thresholds well defined, by the founder of its Nuclear Command Authority, Lt. General Khalid Kidwai. Despite bombastic threats of nuclear escalation by its media and politicians, the professionals in Pakistan's nuclear command are realists, who know what nuclear escalation involves. India's nuclear doctrine is based on restraint. India will not be the first to use nuclear weapons in any conventional conflict. The reality, however, is that Pakistan's military knows that their country will be obliterated if they indulge in nuclear adventurism. Those responsible for the deployment and use of nuclear weapons in Pakistan, therefore, eschew such rhetoric.

Sensing that nuclear rhetoric is counterproductive, Imran Khan initiated a campaign to mobilise people to hold protests every week, for condemning India for its actions in J&K. Pakistan's loquacious foreign minister, Shah Mehmood Qureshi, rushed to New York, quashing that he would get India condemned by the UN Security Council. If Pakistan received a rude shock during the Balakot air strike, it was in for a bigger surprise, when it found that China alone, amongst the 15 members of the Security Council, was prepared to back its ambitions. The British, however, exposed their propensity for duplicity, by pretend-

ing to be neutral while quietly trying to promote Chinese and Pakistani calls for action. Pakistan has also not been able to muster support for its ambitions, even in the UN Human Rights Commission (UNHRC) in Geneva. It could not get the required support to even initiate a discussion in the UNHRC on its complaints. But, this is not going to prevent Imran Khan from meeting as many world leaders as he can, in coming days, at the UN General

Assembly session, in New York. We should also be clear and indeed wary in our dealings with President Trump, who continues to indicate his interest in acting as a "mediator", or "Good Samaritan," in laying the ground for a dialogue between India and Pakistan. This is not exactly welcome. The manner in which President



Trump has indicated that he is looking forward to meeting the Prime Ministers of India and Pakistan in New York, suggests he is still keen on his proposal to act as a "mediator" on India-Pakistan relations. He is obviously keen on pleasing and then using Pakistan, to pressurise the Taliban and enable him to leave Afghanistan with some semblance of dignity. Trump evidently believes that he could still strike a "deal"

with Pakistan, which would enable him to bring back American soldiers from Afghanistan in 2020. This would set the stage for his re-election, before votes are cast in the next US Presidential election in November 2020.

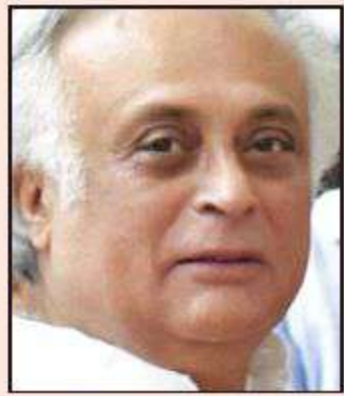
We also need to bear in mind that international support for us will be rea-

sonably steadfast, as long as we manage the situation in Jammu and Kashmir skillfully. There has to be a harmonious blend of flexibility and firmness in dealing with the people and the media in Jammu and Kashmir. The process of easing current restrictions on issues like use of the Internet cannot be uniform, or synchronised, throughout the state, as the terrorist/jihadi challenge is far greater in certain specified areas of the Kashmir Valley. But, as a first step, ordinary people would welcome the availability of even simple 2G facilities, exclusively for telephone calls.

Sections of the Western media appear to be somewhat naive and even biased, in swallowing whatever they are fed by those with close ties to the Pakistan establishment. It is for South Block to address how we could get a more balanced coverage of events in J&K internationally. Elections to local bodies are scheduled to be held soon. It would be good to see a new generation of young Kashmiri leaders getting a larger representation in responsible positions in public life. It would be their responsibility to take over from old and familiar faces, whose reputation for corruption is almost legendary. We should, however, be under no illusion that the way ahead in J&K is going to be either smooth or easy. In the meantime, suitable channels of communication with Pakistan need to be kept open.

(The author is former High Commissioner to Pakistan)

11 Officers Cleared INX File, But Agencies Mum: Cong



Our Political Bureau

New Delhi: The Congress on Friday accused agencies investigating the case against former finance minister P Chidambaram of "deliberately suppressing" the fact that the INX-Media file was cleared and signed by 11 senior officers of the central government without raising any objection before then finance minister signed it.

Questioning how Chidambaram could be arrested and jailed as the agencies found nothing wrong in the 11 officers approving the same proposal, Congress spokesperson Jairam Ramesh said such an attitude will lead to a situation where no minister will sign any file in future.

"There has been a sustained campaign of vilification and character assassination of P Chidambaram in the INX-Media case."

But one factor in the case that has not been highlighted, or rather suppressed, by the investigating agencies, is the fact that INX-Media case was part of a set of 24 proposals put up for approval to then FM and in that file there were 11 signatures, including that of six officers off FIPB," he said.

"Each of these officers or, some, we understand have been spoken to by the investigating agencies. There has been no case made out against the officers, as nothing illegal or wrong was found. If these officers are exonerated, how can the 12th signatory become the kingpin? The real kingpins are in government...," he alleged.

INTERIM RELIEF PMLA Appellate Tribunal orders status quo on ED's notice of vacation of Chidambaram's Jor Bagh house; attachment to continue

'No Proof PC's Jor Bagh House Bought with Crime Money'

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New Delhi: The Prevention of Money Laundering Act (PMLA) Appellate Tribunal has said there was "no evidence to show" that the Jor Bagh house co-owned by Karti Chidambaram was "acquired from proceeds of crime." The observation comes as an interim relief for P Chidambaram and his family.

The Enforcement Directorate had on August 1 issued a notice to Karti asking him to vacate the Jor Bagh house in 10 days. The house, 115-A, Block 172, Jor Bagh, was attached by the agency on October 10, 2018, claiming that it was 'acquired from proceeds of crime' involving the INX media case. The attachment order was confirmed by the PMLA adjudicating authority this March.

The PMLA Appellate Tribunal headed by retired justice Manmohan Singh in a recent order has, however, directed ED to maintain "status quo" on the property. In its order dated September 3, the appellate tribunal held "there is no evidence to show that the said property was acquired from proceeds of crime. There is also no evidence that the appellant (Karti Chidambaram) is likely to dispose of property in order to frustrate the PMLA proceedings".

The Tribunal also noted ED's delay in not filing its response for over five months, after its direction on April 23 to reply to Karti's application within six weeks.

It, however, clarified that ED's attachment of the property will continue till the appellate tribunal decides on Karti's appeal. Karti's lawyers recorded the assurance that pen-

ding appeal, Karti "shall not dispose" of the house. Chidambaram, currently in Tihar jail, in the INX media case, was arrested by CBI last month from the same house.

The Tribunal said, "no charge sheet has been filed by the CBI. No prosecution complaint under PMLA has been filed against the appellant (Karti)". The order further reads that Karti is the owner of "only 50% undivided share" in the house which is also "enjoyed by wife and daughter" of Karti. And Karti's father

THE ARREST

P Chidambaram, currently in Tihar jail, was arrested by CBI last month from the same house in Jor Bagh

her P Chidambaram and mother also reside in the same house.

An ED source told ET it was contemplating on challenging the order. The agency had strongly opposed the interim relief sought by Karti Chidambaram. Opposing the relief, ED's lawyers had contended "once the confirmation order (of attached property) is passed, the next step is to take the possession under the provisions of sub-section 4 of Section 8 of the Act". It was further averred that unless the strong case is made out, no interim order could be passed.

The Chain of Events

ON AUG 1, ED ISSUED notice to Karti asking him to vacate Jor Bagh house in 10 days

The house was attached by agency on Oct 10, 2018 on charges that it was allegedly acquired from proceeds of crime acquired in the INX media corruption case

ED had strongly opposed interim relief sought by Karti Chidambaram. Agency may challenge tribunal's order, sources said

Chidambaram and mother also reside in the same house

PMLA Appellate Tribunal, however, directed agency to maintain "status quo" on the property

Order said that Karti is the owner of "only 50% undivided share" in the house which is also "enjoyed by wife and daughter" of Karti

IISc Blames 'Misinterpretation of Data' for Slide in Ranking

Govt to take up matter with the London-based ranking agency

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New Delhi: Days after the 2020 edition of the Times Higher Education (THE) World University Rankings jolted India as it did not contain a single local institution among the top 300, the government is ready to take up the matter with the London-headquartered ranking agency as the Indian Institute of Science (IISc) believes "flaws and misinterpretation of data" led to its slide to the 300-350

ranking bracket from 250-300.

At a special review of the rankings held by the Union human resource development (HRD) ministry at the IISc in Bengaluru on Friday, the institute pointed to serious "flaws" in the data assessment of the ranking agency that it said had resulted in its slide in the latest rankings. IISc is preparing a detailed report to validate its claim.

"We held a meeting at IISc Bangalore on the issue of the recent slippage in rankings. The IISc has flagged concerns on the data used by the ranking agency and has pointed to data flaws and data misinterpretation. They will also give a detailed report on the same," R Subrahmanyam, secretary Higher Education Department, HRD ministry, told ET. "We will be taking up the matter with the

The Drop

IISc has been India's consistent and often sole representative in the world's top 300 institutions for years

IISc has flagged concerns on the data used by the ranking agency and has pointed to data flaws and data misinterpretation

According to THE, IISc slipped because of its poor show on the citation index, which captures number of times a university's published work is cited by scholars globally



agency and we expect they will take our concerns on board."

The IISc has been India's consistent and often sole representative in the world's top 300 institutions for years. It figured in the 250-300 ranking bracket since 2015, before dropping in the latest rankings. With its slide, for the first time since 2012 there is no Indian institution among the world's top 300 institutions.

According to THE, the IISc slipped in the ranking because of its poor show on the citation index, which has a 30% weightage in the overall score. This parameter examines research influence by capturing the average number of times a university's published work is cited by scholars globally.

The IISc scored 32.4 on citations, its lowest score since 2015. From a

citation score of 47.3 in 2017, IISc dipped to 44.4 in the 2018 rankings, 41.7 in the 2019 rankings and a near ten places to 32.4 this time around.

While the IISc has pointed to data flaws, especially on the citation parameter, officials at the review also asked IISc to improve on all parameters including the citation record.

The IISc, however, is not the only Indian institute complaining about the latest rankings. Several IITs have also expressed unhappiness and have come together to ask for a discussion with the ranking agency.

In the latest rankings, second generation IITs - IIT Ropar and IIT Indore (placed in the 301-350 and 350-400 brackets respectively) - have outdone the older IITs in Mumbai, Delhi and Kharagpur that have been placed in the 401-500 bracket.

CHIEF RAJ THACKERAY HAD EARLIER CALLED FOR A BOYCOTT

MNS Likely to Contest in 80-100 Seats in Maha Polls

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Mumbai: The Maharashtra Navnirman Sena has finally decided to take the poll plunge, the development came after a meeting of party leaders on Friday called by chief Raj Thackeray. The MNS is expected to contest around 80 to 100 seats.

The development is significant as Raj was not keen on contesting the assembly polls in Maharashtra and had called for a boycott of the assembly polls till the Election Commission agreed to conduct the assembly polls in the state with ballot papers instead of EVM machines. Raj had met NCP Chief Sharad Pawar and other opposition leaders with the idea of a boycott of the assembly polls claiming that the polls held under EVM machines were managed to favour the BJP. However other opposition parties in the state were not keen to boycott the polls.

Poll Plunge

Raj had cleared MNS to contest polls, MNS leaders claim

Party unlikely to have an alliance with Congress & NCP though a friendly contest is not ruled out



A CHANGE OF HEART

Raj had met NCP Chief Sharad Pawar and other opposition leaders for a boycott of the assembly polls

Raj was willing to sit out of the polls; however there was pressure within the party as many leaders wanted to contest the polls. The MNS chief had got feelers from within the party that the decision to not contest polls could demoralize the cadres. There was talks within the party that those who wanted to contest the polls would either seek tickets from the Shiv Sena or contest independently if the party does not fight the polls.

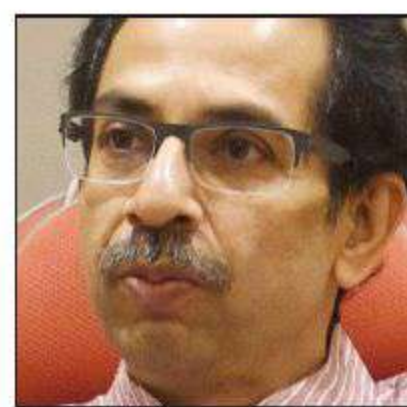
UPCOMING ASSEMBLY ELECTIONS IN MAHARASHTRA

Seat-Sharing Formula Fixed During LS Polls: Uddhav

Krishna.Kumar@timesgroup.com

Mumbai: Ruling allies, the BJP and Shiv Sena, on Friday continued to haggle over seats for the upcoming Assembly elections in Maharashtra, with Sena president Uddhav Thackeray insisting that the seat sharing formula has been pre-decided during the Lok Sabha polls, and it was agreed that both partners will get to contest from an equal number of seats.

"There's no misunderstanding, the alliance will happen according to what was declared before the Lok Sabha polls. The press conference (where the BJP leaders spoke of equal seat sharing) took place in front of you," said Thackeray. Ironically, Maharashtra BJP chief Chandrakant Patil, when asked about the seat sharing formula, seemed to refute Thackeray's claims by saying no such formula had been reached upon by the two parties. While the Sena might be harping



INDIRECT CRITICISM

Modi, without actually naming the Sena chief, had criticised him for his comments on the Ram Mandir

on the agreement, much has changed since then. "During the Lok Sabha elections, we needed them. But now they need us as we can come to power on our own. We are still giving them a good deal as they had won 63 seats, and we are willing to give almost double of what they had got," a BJP leader told ET.

Meanwhile, Prime Minister Modi, without actually naming the Sena chief, had criticised him for his comments on the Ram Mandir, a charge that he denied on Friday.

"I don't think the comment was meant for me. We have just been repeating what the people want. We are just asking for the law to take its own course because the issue has been pending in the courts for long," said Thackeray, adding "Even we have faith in the courts."

Thackeray also said that they are awaiting Maharashtra chief minister Devendra Fadnis to submit a list of seats that the Sena would be contesting from which he (Uddhav) would share with his party leaders.

Poliloquy R PRASAD



Now that the budget is a TV serial, a recap will be much appreciated!

EXTRA TIME ON MONDAY

Ayodhya Hearing Gets Only Half Day

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New Delhi: The Supreme Court on Friday heard the Ayodhya title suit only for half a day on Friday, but indicated that it would go on an overdrive from Monday when it will sit an extra hour beyond court hours to ensure that it meets the November deadline for a final ruling on the issue.

A five-judge bench led by Chief Justice of India Ranjan Gogoi is hearing appeals and cross appeals by the Sunni Central Wakf Board and the Hindu side represented by the Ram Lalla and the Nirmohi Akhara, the sebayat. The CJL demits office on November 17, 2019, and has to deliver a judgement or else the case will have to re-heard by a new bench. The court had earlier set an October 18, 2019, deadline for completing arguments in the case but has been unable to stick to its scheduled hearings. The hearing on Thursday was abandoned after lunch after the CJL took ill.

On Friday too there was no hearing in the afternoon. The court will have to make up for this lost time unless it wants to overshoot its deadline. The CJL said that the bench would still till 5 pm on Monday to make up for the lost time, well past the court's 4 o'clock normal sitting.

After LS Polls, JD(U) & RJD Discussed Possible Tie-Up in Bihar

We have realised that the discussion was used by Nitish Kumar to give a message to the BJP and never had serious intentions: Senior RJD leader

Kumar.Anshuman@timesgroup.com

New Delhi: RJD president Lalu Prasad Yadav had approved the back channel talks between the two parties.

After the Lok Sabha elections two major political parties of Bihar, JD(U) and RJD had tried to come closer once again and the new talks were initiated from the JD (U) side. RJD vice president and senior party leader Shivanand Tiwari told ET about the developments in the aftermath of the Lok Sabha elections. "But now we have realised that the discussion was used by Nitish Kumar just to give a message to the BJP and his party never had serious intentions," Tiwari told ET. "Now we have also decided that no alliance shall take place



with JD(U) in future."

Tiwari has worked closely with both Nitish and Lalu at different times and his proximity to both the leaders is well known in Bihar.

With a section of BJP leaders claiming the leadership role in Bihar has made JD(U) uneasy in recent times. Also JD(U) is not comfortable with the idea of NRC in Bihar.

Tiwari said that discussion started after JD(U) refused to accept one cabinet post in central government. "Nitish's initial statements after the new cabinet took oath in Delhi indicated that a reunion might be possible," added Tiwari. Taking it as a hint senior RJD leaders like Tiwari and Raghuvansh Prasad Singh started giving a sta-

tement saying that Nitish is welcome if he wants to join the secular front. During that time, Tiwari was approached by a JD(U) leader and talks progressed. "I don't want to name the person who initiated discussion from JD(U) side," he told ET. The initial offer from JD (U) was to merge RJD with the party. Tiwari went to Ranchi to dis-

cuss it with Lalu Prasad Yadav who is in jail in fodder scam case. "We both agreed that merger of RJD with JD(U) is not an option as we wouldn't like to lose the identity of RJD," he told ET.

The discussion between the two parties continued as per Tiwari and several options were discussed. The senior RJD leaders had managed to convince Tejashwi Yadav who was against the alliance. However Tejashwi raised a question on the authority of the person talking on Nitish's behalf. At that time Tiwari decided to take it directly to Nitish Kumar. During the last one month, both Tiwari and Nitish spoke twice over the alliance issue. "After waiting for some time I realized Nitish is non-committal. The person who initiated the talks on JD(U) side kept convincing us that alliance will happen. But later we decided to

call it off," he said.

On September 14, Tejashwi Yadav in a tweet attacked Nitish Kumar. "Nitish Kumar has no policy, principle and ideology. He has always cheated alliance partners and the BJP. His first and last priority is the chair," he wrote. Tiwari denies that there is rift between young and old leadership in RJD and Tejashwi tweeted only after all the leaders decided to call it off.

JD(U) on the other hand is in complete denial of any such talks and raises question on the authority of Tiwari. "Tiwari is isolated in his own party. RJD is a family party and every decision is taken by the family. We are strongly with the BJP and NDA in Bihar and there is no opportunity for others," Neeraj Kumar, Bihar information and broadcasting minister and JD (U) leader told ET.

SHORT TAKES

Scaling Up Manufacturing Capacity in India: Vivo

NEW DELHI Chinese smartphone maker Vivo on Friday said it is witnessing strong growth in the Indian market and is expanding its manufacturing capacity to meet the high demand. The company, which has launched its new device 'V17Pro' for ₹29,990, said it has also aggressively expanded its portfolio ahead of the festive season in the country. "Vivo started its global journey just five years ago and India has been an important country for our global business. We are committed to 'Make in India' and bringing in products that are focussed on consumer needs," Vivo India CEO Jerome Chen said. Recently, Vivo had announced its plans to invest an additional ₹3,500 crore to expand its manufacturing capacity taking its total planned outlay in India to ₹7,500 crore over the next few years.

Redington to Sell New Gen iPhones across 3,500 Outlets

CHENNAI City-based supply chain solutions provider Redington would offer all the products from Apple Inc, including the latest iPhone 11 Pro and iPhone 11 Pro Max across its 3,500 retail outlets later this month. Redington would also retail the newly launched Apple Watch Series 5 across the country, the company said in a statement. Redington said it has also come out with cashback offers for complete range of products and would hold launch events at 25 locations in eight cities. The prebooking for the iPhones 11 Pro and iPhone 11 Pro Max would commence from September 20 and sales from September 27, the release added.

Tata Motors Looks to Grow Footprint in Africa

JOHANNESBURG India's Tata Motors considers South Africa "strategically extremely important" to grow its footprint in the massive African continent, according to a senior company official. "As a brand, we would like to be in the top three in any segment or sub-segment that we participate in, in each country that we are in and I think that is how we pick and choose where we are going to be present and how we are going to be present," said head (commercial vehicles) of Tata Motors International Business Rudrarup Maitra. He said there were six manufacturing units across the African countries, but this could increase in the future. "The whole of sub-Saharan Africa as well as southern Africa has been key for us for the past 10 to 15 years. We are getting increasingly committed to Africa. I only see this relationship getting deeper," Maitra said.

Lupin Gets USFDA Nod for Levothyroxine Sodium Tabs

NEW DELHI Pharma major Lupin on Friday said it has received approval from the US health regulator for its generic Levothyroxine Sodium tablets used for treatment of hypothyroidism and pituitary thyrotropin suppression. The company has received approval from the United States Food and Drug Administration (USFDA) to market its Levothyroxine Sodium tablets USP in the strengths of 25 mcg, 50 mcg, 75 mcg, 88 mcg, 100 mcg, 112 mcg, 125 mcg, 137 mcg, 150 mcg, 175 mcg, 200 mcg and 300 mcg, Lupin said in a statement. The product is a generic version of Jerome Stevens Pharmaceuticals Inc's Unithroid tablets in the same strengths, it added.

Strides Pharma Board OKs \$40-m Investment in Stelis

NEW DELHI Strides Pharma Science on Friday said its board has approved an additional investment of up to \$40 million (about ₹280 crore) over the next two years in Stelis Biopharma in a bid to take a controlling stake in the firm. Bengaluru-based Strides has already invested \$35 million (about ₹245 crore) for a 43% ownership in Stelis. The company's board has approved an additional investment up to a maximum of \$40 million over a period of 24 months for a controlling stake in Stelis, Strides Pharma Science said in a statement.

Mu Sigma to Settle US Visa Case Out of Court for \$2.5m

Our Bureau

Pune: Analytics firm Mu Sigma has agreed to pay \$2.5 million in an out-of-court settlement in a visa fraud dispute, according to information available on the US Immigration and Customs Enforcement website. The company was accused of circumventing US visa regulations by bringing in employees on a B1 visitor visa and misrepresenting the nature of their intended business.

An top executive of Bengaluru-based Mu Sigma told ET that the company had contested all the charges but settled out of court as the legal fee would have been higher than the settlement charges.

"We want to focus on building the company and this was a distraction. This is a situation all IT firms operating in the US have encountered," said the top executive, requesting not to be named.

The investigation began in 2013 when a Mu Sigma employee alleged that company managers were circumventing US government H-1B visa regulations by actively and unlawfully employing B1 visitor visa holders under contract within the US.

As per a note on the US Immigration and Customs Enforcement website, the company also paid these employees in India at India-based wages which were considerably lower than US wages.

Nippon Express to Buy 22% in Future's Logistics Unit

BRIGHT FUTURE Japanese co to acquire stake in Future Supply Chain Solutions for ₹646 cr

Our Bureau

Mumbai: Nippon Express, Japan's largest logistics company, is buying a 22% stake in Future Group's listed logistics arm Future Supply Chain Solutions (FSC) for ₹646 crore through a combination of primary issuance of shares and secondary purchases, with global majors seeing a major sectoral uptrend driven by e-commerce and the big-bang tax reforms.

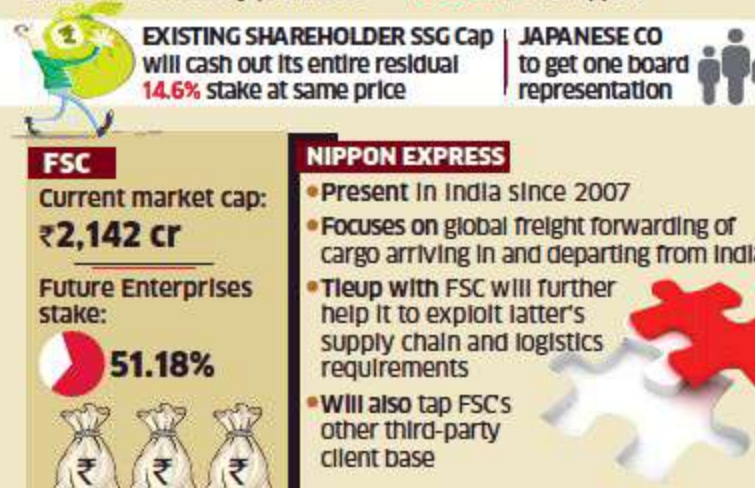
This would be the fourth fundraising initiative by Kishore Biyani, Future Group's CEO, in the last 12 months across group entities, resulting in cumulative capital infusion of ₹7,450 crore. The transaction will see FSC issue 3.79 million new shares through a preferential allotment at ₹664/share to Nippon Express — a 22% premium to Thursday's closing price.

Additionally, SSG Capital, an existing shareholder since 2016, is cashing out its entire residual 14.6% stake at the same price, FSC said in a customary exchange filing Friday. SSG, a Hong Kong-based investment company, had entered FSC after buying out Li and Fung's 40% stake for ₹580 crore at a ₹1,450-crore valuation.

Nippon will have one board re-

Stepping Up Logistics Play

• Nippon to buy stake via a combination of primary issuance of shares and secondary purchases
• FSC will issue 3.79m new shares via a preferential allotment at ₹664/share to Nippon



presentation. The current market capitalisation of FSC is ₹2,142 crore. Future Enterprises owns 51.18% of FSC.

Nippon Express' decision to expand its India footprint is part of its new "Nippon Express Group Business Plan 2023 - Dynamic Growth" beginning from financial year 2018.

India is part of a bigger push to capitalise new growth opportunities on the back of modernisation of the road infrastructure network, reorganisation of tra-

ditional supply chain networks due to the implementation of GST, and consumption growth driven by a fast-growing middle income group.

The company has been present in India since 2007 and currently focuses on international freight forwarding of cargo arriving in and departing from India. A strategic partnership with FSC, one of the country's leading third-party logistics 3PL players, will further help to exploit Future Group's own

supply chain and logistics requirements, besides its other third-party client base.

FSC covers the whole spectrum of supply chain services across the logistics value chain, including smart warehousing, transportation and distribution, and last-mile delivery for a diverse set of clients ranging from Reckitt Benckiser, Kellogg India, Mondelez India, ITC, to Benetton India.

Its FY19 top-line grew 30% on-year to ₹1,234 crore, with profits of ₹62.1 crore.

The domestic third-party logistics space is expected to grow at a 19-20% CAGR to reach ₹58,000 crore by 2019-20. "This is the second partnership that we are entering into with a Japanese corporation after 7-Eleven. We expect to derive significant synergies given our complementary skill sets and service offerings for Indian, MNC and Japanese clients," said Biyani.

The world's largest convenience store chain signed a master franchise agreement with Future Group earlier in February to open and manage the eponymous brand stores in India, one of the fastest-growing retail markets.

Future Retail's subsidiary SHME Food Brands will open newer stores and convert existing locations to 7-Eleven brand, starting this December.

Trai Seeks Suggestions on Numbering Scheme

RIGHT CALL Floats paper on developing a numbering plan for fixed line & mobile services; proposes 11-digit no for mobiles

Our Bureau

New Delhi: The Telecom Regulatory Authority of India (Trai) has sought views on the need for a change in the numbering scheme for both mobile phones and landlines to cater to the rising demand for telephone connections, with options including increasing the digits in a mobile phone number to 11 from 10 at present.

In a consultation paper released on Friday on 'Developing a unified numbering plan' for fixed line and mobile services, Trai said that even if it is assumed that there will be 200% wireless teledensity in India in 2050, the number of mobile telephones working in the country is likely to be nearly 3.28 billion.

The regulator said that even at 70% utilisation of numbering resources, 4.68 billion numbers will be enough to cater to mobile telephones working in the country in 2050.

"The plan must ensure that the defined range of numbers allow for expansion of existing services and introduction of wide range of new services, without being prematurely exhausted during the planned period," said Trai. "The increased demand that developments like convergent services, smart devices, machine to machine communication and premium services are likely to ma-



REVIEWED TWICE India has reviewed its numbering plan twice earlier, in 1993 and 2003. The numbering plan in 2003 created space for 750m telephone connections

ke on the numbering resources, needs to be considered."

The government has already started 13-digit number series for Internet of Things and machine-to-machine communications. However, according to an assessment by Trai, around 2.6 billion more numbers would be required by 2050. According to a United Nations report, India is projected to become the most populous country by 2027, over-

taking China, and host 1.64 billion people by 2050. There are 1.2 billion telephone connections in the country at present.

To increase numbering resources, Trai has sought to know some options to cater to the rising demand for telephone numbers — moving on to 11-digit numbering scheme for mobile and continuing with 10-digit numbering for fixed-line services; shifting data-only mobile numbers (like dongle connections) to 13-digit numbering from 10 digits; and vacating number series starting from 3, 5 and 6, etc.

The current provision of 10-digit mobile numbers starting with 9, 8 and 7 have a total capacity to grant 2.1 billion connections. India has reviewed its numbering plan twice earlier, in 1993 and 2003.

The new numbering plan in 2003 created space for 750 million telephone connections — 450 million cellular mobile and 300 million basic phones, factoring in a 50% teledensity by 2030. "After 16 years into the National Numbering Plan, adequate availability of numbering resources is threatened because of increase in the range of services and massive growth in number of connections especially in the mobile segment," said Trai.

The total number of telephone subscribers in India stands at 1186.63 million, with a teledensity of 90.11 at the end of June.

Right Time to Build IoT in India: Bharti Airtel

Airtel has already built an independent Internet of Things vertical which clocked \$1.7 billion in revenues for FY19

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New Delhi: Bharti Airtel has said that India is currently a very good place to be a builder of the Internet of Things (IoT) ecosystem. To unlock the opportunity, Airtel is adopting applications and partner-based approach to grow its IoT business in India, besides ensuring consistent investments towards developing the narrowband IoT (NB-IoT) ecosystem in the country.

"...we will always go with what the GSMA and 3GPP bodies are talking about, and NB-IoT is one of those technologies that will help. We definitely will be investing there, we are also looking into what the customers also need in terms of specific use cases," Sundi Raman, head (digital products & IoT), Airtel Business, told ET.

Airtel is focusing on enabling connectivity, building applications and providing a platform for developers to build the new use cases. "India is a very good place right now to be a builder of IoT."

The telco is focusing mainly on the automotive sector in India, besides making inroads in the country's healthcare sector through its applications. It re-



cently partnered with MG Motors to help launch internet-connected car and is currently working with Apollo Hospitals to connect their remote healthcare centres and to manage workforce. Airtel has already built an independent IoT vertical as part of its Airtel Business, which clocked \$1.7 billion in revenues for fiscal year 2018-19.

Its rival Reliance Jio Infocomm is preparing to tap into the IoT market at the pan-India level through its NB-IoT network. Vodafone Idea Ltd (VIL) is also driving its enterprise business by launching commercial NB-IoT services, having conducted pilot programmes in four cities for various use cases, including smart energy metering.

NB-IoT is a new technology standard, designed to broaden

the future of IoT connectivity, providing significantly improved and deeper network coverage for communication between machines while lowering power consumption by devices. India's NB-IoT market is expected to grow to ₹5,000 crore in three years, as per industry estimates.

Airtel is now focused on bringing more partners on board to develop applications using the IoT platform. "We want to partner with [application] providers, who can help us to fill the gaps".

Raman said IoT is a huge ecosystem play and a single vendor can't deliver the solution. "...you have devices, network provider, platform play and application play. On top of that, you need to customise those applications for end customers".

Other Rate Cuts

From Page 1

"Reduction in tax from the peak rate of 28% to 18% for hotels having tariff of more than ₹7,500 and from 18% to 12% for hotels having tariff less than ₹7,500 should give a boost to the tourism industry," said Pratik Jain, national indirect taxes leader, PwC.

However, from a policy standpoint, it is better to not link the rate of tax with price points, Jain said.

The GST council also cut the tax rate on job work for engineering services to 12% from 18% and on diamond supply to 1.5% from 5%.

In a relief for the IT and ITeS sectors, the council has approved exemptions on outsourcing. It has exempted pharma companies that carry out specific research and development for foreign companies from GST.

"The call has been taken for simplification," Sitharaman said.

The council raised tax on caffeinated beverages to 28% from 12% now and imposed a 12% cess. GST was also increased on railway wagons to 12% from 5% to address the issue of accumulation of input tax credit. It also restricted the refund of compensation cess on tobacco.

With the GST on caffeinated drinks up to 28% from 18%, prices of Red Bull, Coca-Cola's Monster and Thums Up Charged, and PepsiCo's Sting could increase incrementally, a senior beverage industry official said.

Coca-Cola and PepsiCo did not immediately comment on the impact.

With the GST revision, caffeinated drinks or energy drinks have been brought on a par with soft drinks.

Thums Up Charged, launched mid-2018, has about 150 parts per million caffeine content, double that of the original variant, and it would be the most affected by the GST increase, the official said.

In a major relief on the compliance front, the council allowed waiver from filing of return to small and medium enterprises, with an annual turnover of up to ₹2 crore, under the composition scheme.

It also deferred the implementation of the new return form to April 1, 2020.

"The annual return compliance waiver until ₹2 crore turnover would be quite an aid from an ease of compliance perspective for small businesses," said Abhishek Jain, tax partner, EY.

Sitharaman said the council has also asked the group of ministers to meet soon.

Hindrances Remain: Experts

From Page 1

While the proposed tax rate is on a par with those in countries like Vietnam and Myanmar — which tax corporate profits at 15% to 20% — other hindrances remain and those too need to be removed, said experts.

"Make in India primarily means manufacturing, which depends on a whole list of things including land acquisitions and labour reforms," said Bibek Debroy, the chairman of the Economic Advisory Council to the Prime Minister. "Land is a state subject while labour is in the concurrent list. Hence, we will have to see all these measures in aggregate."

Finance minister Sitharaman said the government would allow any new domestic company incorporated on or after October 1, 2019

Shoring Up Capital

The foreign investors who participated in the issue include Norges, Lazard, Dodge & Cox, Nomura

Top DIs include SBI, Aditya Birla Capital, HDFC and the top private sector insurers

Promoters LIC and GIC also raised their stakes at current levels

Axis Bank's Tier-I capital adequacy ratio, stood at 12.9% in the April-June quarter and is expected to rise after the issue



Axis Bank Raises ₹12,500 cr via QIP

Salkat Das & Joel Rebelo

Mumbai: Axis Bank Ltd. on Friday raised ₹12,500 crore through an institutional share sale, which would improve its capital base and help to increase its lending to borrowers.

A group of large foreign and domestic institutional investors have participated in the Axis Bank's institutional qualified placement, which closed earlier in the day.

Those foreign institutional investors include Norges, Lazard, Dodge & Cox, Nomura, market sources told ET. Domestic fund houses including SBI, Aditya Birla, Reliance, ICICI Prudential, HDFC, SBI, along with other insurance companies such as HDFC Life, SBI Life, Reliance Life too invested in the issue.

"This is one of the largest QIPs by a private sector entity, which drew interest from top institutional investors, sources said.

Axis Bank did not reply to ET's email while individual investors could not be contacted for comment till press-time.

"The issue was well received. The bank had set a floor price at ₹661.50 per share. Domestic mutual funds and US-based funds have participated in the issue with a lot of interest," said an executive with direct knowledge of the matter.

Some investors obtained those securities at ₹640 or ₹622 per share, sources said.

LIC and GIC, the two promoter insurance companies of the bank, have also put more money through a preferential issue to keep their stakes at the current levels.

They wanted to raise a minimum of ₹10,000 crore with the option of raising another ₹2,500 crore. "With LIC and GIC, the total sum (fund raised) would be close to ₹15,000 crore," said another person involved in the deal.

In July, Axis Bank had said its board had approved to raise up to ₹18,000 crore through the issue of equity shares, depository receipts or convertible securities.

Axis Bank's Tier-I capital adequacy ratio, a gauge for capital strength stood at 12.9% in the April-June quarter this year. Its total capital adequacy was at 16.06% during the same period. With the latest round of fund raising both the measures will improve.

The private sector lender appointed Axis Capital, Citl, JPMorgan, BNP Paribas, Credit Suisse, UBS and HSBC as its bankers.

In November 2017, Axis Bank had raised over ₹11,500 crore in a share and warrants sale to Bain Capital, Capital International, and the lender's biggest shareholder, LIC.

Banks Must Resolve Failed Debit Card Transactions in 5 Days: RBI

Our Bureau

Mumbai: In a big boost for customers making payments online, banks will have to resolve failed debit card transactions within five days, and UPI- and wallet-based transactions within one day, as per latest guidelines on turnaround time (TAT) announced by the Reserve Bank of India on Friday.

The central bank has also instructed all lenders to resolve failed ATM, swipe-machine transactions and Aadhar Enabled Payments within five days as well and IMPS transactions in one day. Failure to meet the timeframe will attract a

penalty of ₹100 for every delayed day, to be paid to the customers.

A failed transaction is when an account gets debited but the payment is not registered, a pain point faced by many customers, especially while transacting online.

"It has been observed that a large number of customer complaints emanate on account of unsuccessful or 'failed' transactions," the central bank said. Failure can be on account of various factors not directly attributable to the customer, such as disruptions of communication links, non-availability of cash in ATMs, time out of sessions, non-credit to beneficiary's account due to various causes, etc.

Mechanism Set Up to Monitor Airfares Daily

Our Bureau

New Delhi: The government has set up a mechanism to monitor airfares on a daily basis, civil aviation minister Hardeep Singh Puri said on Friday.

"It is only to monitor on ongoing basis how airlines pricing is working and if we can get some learning from that and then discuss with airlines. We will use the data to hold regular discussions with airlines," Puri told media persons.

The minister said that when you are in a dynamic sector obviously your interest is to survive today

and tomorrow, but you also have to think about day after tomorrow.

Clarifying that the government does not intend to interfere in the pricing mechanism of the airlines, Puri said, "It is not a regulatory mechanism but just a monitoring mechanism."

In a recent meeting, the aviation ministry had also raised concern over the pricing war between airlines, which analysts believe is the primary reason for losses in the industry.

However, the aviation minister said the government does not get into the business of regulating fares being offered by airlines.

Dutch Court Administrator, Jet RP Agree to Cooperate in Insolvency

NEW DELHI: The resolution professional of Jet Airways and Dutch insolvency administrator have agreed to cooperate in insolvency proceedings against the debt-ridden airline, the National Company Law Appellate Tribunal (NCLAT) was informed on Friday. The RP and the Dutch Court Administrator have agreed on terms and conditions on which they will cooperate in the

ongoing insolvency process.

The NCLAT has asked both parties to file their terms and conditions by Monday and listed the matter for hearing on September 24. During the proceedings, counsel appearing for both sides informed the Committee of Creditors has agreed on all conditions except one. According to them, the CoC was opposing presence of Dutch Court Administrator in their meeting — PTI

AMITABH CHAUDHRY
CEO, Axis Bank

Corporate tax rate cut is an extremely bold move... The immediate effect will be to revive investment confidence. In medium term, it will boost India's export competitiveness

Indices' Gains on Friday

	Friday's Close	Chg%	Prev Close
SENSEX	38014	5.32	36093
Nifty 50	11274	5.32	10704
Nifty Midcap 100	16333	5.86	15429
Nifty Smallcap 100	5643	3.92	5430
India Vix	15.34	-1.33	15.55

Sectoral Indices

	Friday's Close	Chg%	Prev Close
Nifty Auto	7605	9.90	6920
Nifty Bank	28981	8.31	26757
Nifty Private Bank	16050	8.27	14824
Nifty Fin Services	12859	7.15	12001
Nifty PSU Bank	2522	6.94	2359
	Friday's Close	Chg%	Prev Close
Nifty Metal	2497	5.68	2363
Nifty Services	16058	4.74	15330
Nifty Infrastructure	3121	4.61	2983
NIFTY FMCG	29835	4.41	28575
Nifty Energy	14859	4.04	14281

The return of positive sentiment to the market and higher scope to expand business as a result of the lower tax rate are likely to attract investors to the mid- and smallcap space as the downside to valuation multiples look limited

Mid & SmallCaps Light Up the Street

Experts Speak



The FM's announcement is one of the boldest reforms to kick-start the investment cycle and to revive growth. The direct beneficiaries will be the smaller firms and services sector

PS JAYAKUMAR
managing director,
Bank of Baroda



A step in the right direction to achieve our goal of a \$5 trillion economy. The new tax rates bring India at par with competing countries to boost FDI and offer an alternative proposition to China

KAKU NAKHATE
India country head,
Bank of America



It will help revive growth spirits. Growth is much more important than the fiscal impact due to this. The currency (rupee) movement also showed that the market is more concerned with growth

SHIV PURI
MD, TVF Capital
Advisors

Sanam.Mirchandani@timesgroup.com

India's broad market indices logged their biggest one-day gain in several years on Friday after the government unexpectedly cut the corporate tax rate to fire up economic growth.

The return of positive sentiment to the market and higher scope to expand business as a result of the lower tax rate are likely to attract investors to the mid- and small-cap space.

The BSE MidCap Index ended up 6.3% at 14,120, marking its biggest single-day rise since May 18, 2009, when the index had gained 11.7%. Rising the most since May 2014, the BSE SmallCap Index ended up 4% at 13,204.

"The move will benefit profit-making companies. Small and midcap companies will get more room to expand business," said A Balasubramanian, CEO, Aditya Birla Sun Life Mutual Fund. "As confidence comes back, the improvement in sentiment will also revive the lending market and transmission of rates will also benefit these companies," said Balasubramanian.

Gains in the Midcap space were led by Edelweiss, ICICI Securities, Page Industries, RBL Bank, TVS Motor, Endurance Technologies and MRF, which surged 11-19%. Among the BSE SmallCap index constituents, Bharat Seats, NCC, Lincoln Pharmaceuticals and Bombay Burmah's shares ended up 17-18%.

Although the broad market posted strong gains on Friday, they have a long way to go before recovering their earlier peaks. The BSE MidCap index is down over 22% from its all-time high of 18,321 which was hit in January 2018. From its all-time high of 20,183, also hit in January 2018, the BSE SmallCap Index has fallen 34.6%.

The rally in the broader market that took these indices to lifetime highs has faltered due to Sebi guidelines on mutual funds re-categorisation and rationalisation, tepid earnings growth, and concerns over high valuations. These concerns have not entirely abated.

"Not all stocks will see a reversal in trend. However, after these big-bang measures, overall sentiment is likely to improve in terms of business and investor confidence and that will reflect in valuations of the broader market as well," said Gaurav Dua, head-strategy & investments at Sharekhan.

by BNP Paribas.

Valuation comfort may also drive buying in mid- and smallcaps in the near term. From a premium of over 50% to the benchmark Nifty, mid-cap valuations are now at an 18% discount. Edelweiss said the level of valuation discount is close to historical lows of 2011 and 2014, which lends comfort that downside to valuation multiples in mid- and smallcaps may be limited. However, the earnings downgrade is yet to play out fully.

"Majority of the small- and midcaps correction, so far, has been led by a fall in valuation multiples, while downgrade in earnings has been only mild. This implies potentially some more earnings cuts. The small- and midcaps space is not a blanket 'buy' yet, and earnings resilience should have a huge bearing on stock picking at this stage," Edelweiss said in a report.

Chart Toppers on the Day

BSE MIDCAP Companies

	CMP ₹	% Change vs previous close	Year to date % Change
Edelweiss Financial Services	124	19.15	-31.81
ICICI Securities	271	17.06	3.38
Page Industries	22662	16.01	-8.63
RBL Bank	382	15.05	-33.63
Endurance Technologies	990	13.77	-21.55

BSE SMALLCAP Companies

	CMP ₹	% Change vs previous close	Year to date % Change
Bharat Seats	70	18.04	-35.27
NCC	60	17.23	-31.85
Plastiblends India	199	16.91	12.43
Bombay Burmah Trading Corporation	1277	16.83	-3.39
Lincoln Pharmaceuticals	172	15.59	-23.95

Compiled by ETW Database

FII Short Covering of Index Futures Key to Sustaining Rally

Ram.Sahgal@timesgroup.com

Mumbai: The key support of the market shifted higher amid Friday's monster rally which trapped the bears. Market analysts said continuity and strength of the uptrend would depend upon FII action, whose average shorting level of index futures since July stands at 11,200. Covering at this level by strong hands will provide more legs to the rally, said derivatives analysts.

The 11,200 call option expiring on September 26 now has the highest open interest at 30.38 lakh shares. The put with the highest open position is 11,000 with 49.65 lakh shares. The range has expanded from 10,800-11,000 to 11,000-11,200.

The covering of shorts at the 11,200 level is important. Indeed, option sellers had cut open positions only marginally at this level despite Nifty having broken past it to end at 11,274 Friday.

"The average shorting price for FIIs since the past three months has been 11,200, which the market has struggled to surpass until now," said Amit Gupta, head of derivatives at ICICI Direct. "If they begin to cover these shorts, the rally could extend."

FIIs were cumulatively net short index futures — Nifty and Bank Nifty — by 1.23 lakh contracts on Thursday. Figures for Friday were not uploaded by NSE till the time of writing.

"11,200 has been a congestion zone for the past three months and once the unwinding of the positions begin we could see a further short-covering rally,"

Nitin Kedia of Kedia Commodity feels that the market could make a new high by December thanks to a slashing of corporate tax rates. The record high made on June 3 is 12,103. Near month Nifty futures witnessed a bullish build up with open interest rising by 24,562 contracts as the price rose 5.5% to 11,301. Call option sellers were singled as prices of calls across rose. The 10,900 September expiry call price rose over 1,500% while that of the 11,100 call moved up by a whopping 5,200% from ₹4 to ₹225 a share. Put buyers saw prices tanking over 90% and were forced to exit at massive losses.

EXPERTS SAY THE NIFTY COULD MAKE A NEW HIGH BY DECEMBER THANKS TO THE SLASHING OF CORPORATE TAX RATES



SHANKAR SHARMA
@tshankarsharma

Now that we have created a 2 sq m bull market, I hope and pray for a 2 m sq m bull market, by reducing individual taxes, removing LTCG, boosting rural consumption. That will create a true bull market for the masses

'Investors Can Focus on Banking, Ultra Short-term, PSU Debt Funds'

Prashant.Mahesh@timesgroup.com

Mumbai: Wealth managers said investors can build a debt fund portfolio consisting of ultra short-term funds, banking and PSU debt funds and credit risk funds after the finance minister announced tax cuts for companies.

After the announcement, bond yields have moved up by 20 basis points, with the 10-year benchmark advancing to 6.8% on fears the Reserve Bank of India may not cut interest rates further as the stimulus could lead to a rise in fiscal deficit. Analysts said the bond market sell-off on Friday is a knee-jerk reaction to concerns over revenue loss arising out of tax reductions.

Though the fiscal deficit could rise, fund managers expect the RBI to cut rates in its upcoming policy meet by as much as 25-50 basis points, as it attempts to boost economic growth. India's economic growth slipped to a six-year low of 5% in the June quarter.

"To boost economic growth, the government has done its bit and now the RBI will have to cut rates," said Raj Mehta, fund manager at PPFAS Mutual Fund. He expects the RBI to cut rates by 25-40 basis points.

Wealth managers are recommending investors to stick to a mix of bond funds.

"Investors could spread their fixed income portfolios across ultra-short term, banking and PSU debt and credit risk funds that could help them earn as much as 7.5-8%," says Ashish Shanker, head (investment advisory), Motilal Oswal Wealth Management.

Credit funds, which invest in riskier papers, could give investors returns up to 9% post expenses. Banking and PSU debt funds with exposure to AAA rated banks and PSUs offer investors return up to 7%.

"Investors who understand credit risk and are okay with some short-term volatility should invest in highly diversified largely AA oriented credit funds as we see AA spreads widening over the AAA curve, making them attractive bets from a risk reward perspective," says R Sivakumar, head (fixed income), Axis Mutual Fund.

Shanker believes the fiscal deficit will surge to 0.6% of the GDP and could inch up to 0.7%. This would make it challenging for investors to make money in long-term bonds.

India 10-year Bond Yield



FUND MANAGERS EXPECT THE RBI TO CUT RATES IN ITS UPCOMING POLICY MEET BY AS MUCH AS 25-50 BASIS POINTS

Higher fiscal deficit is fine if it leads to increase in investment and consumption. This will help in pickup of consumption and investment

KEKI MISTRY, vice-chairman, HDFC



FPIs' Tax Outgo on Bonds may Go Down by 2-7% on Surcharge Rollback

Pavan.Burugula@timesgroup.com

Mumbai: Foreign portfolio investors (FPIs) dealing in India's bond markets are set to benefit after finance minister Nirmala Sitharaman said on Friday that FPIs need not pay higher surcharge on capital gains if they have paid the securities transaction tax.

FPIs have been provided relief from the tax surcharge for transactions in all asset classes — equities, mutual funds, debt and derivatives. But wealthy investors who are residents of India and family trusts, on the other hand, will have to continue paying higher surcharge on gains made from derivative and bond market trades.

After the rollback of the enhanced surcharge, the tax outgo on FPIs dealing in bonds will come down in the range of 2-7%, depending on the income slab and holding period of securities.

For instance, if an FPI has taxable income of over Rs 5 crore and has held the bonds for over three years, the effective tax rate will come down by 2.5%. However, if the same FPI has held the security for less than three years, the tax rate will go down by 3.5%. If the investments are in derivative markets, including currency derivatives, the tax outgo would reduce by 7%.

However, exemption from the enhanced surcharge will be applicable only in those cases where the investor sells the bonds in the market and doesn't hold them until maturity. This is because if the bonds are held until maturity, the income arising would be deemed as interest income and not capital gains tax.

"The announcement will provide a huge relief to FPIs that trade in debt markets. Effectively, the government has now withdrawn the tax surcharge

FPIs DEALING IN BONDS WILL COME DOWN BY 2-7%, DEPENDING ON THE INCOME SLAB AND HOLDING PERIOD OF SECURITIES



hike on almost all the FPI transactions," said Rajesh Gandhi, partner, Deloitte India. "However, domestic investors will continue to be subject to the enhanced surcharge on their derivative trades."

In the Union Budget for FY20, the government had increased the tax surcharge applicable on wealthy non-corporates (both domestic and foreign). However, following a backlash from FPIs, the government partially rolled back the tax surcharge in August. The surcharge applicable on capital gains made on the sale of listed shares was already waived last month.

HNIs Parked in Other Assets may Return to Equity

Prashant.Mahesh@timesgroup.com

HNIs have lost heavily in PMS investments in the recent small- and mid-cap crash

wealthy stock market investors or high net worth individuals could be lured back into equity market investing after the government slashed corporate tax rates to an effective 25.17% and proposed a radically new rate of 15% for new companies wishing to invest in manufacturing.

The stock market soared in anticipation of higher profits and brokerages upped earnings estimate for the ongoing year and forecast higher growth. HNIs, who had lost heavily in portfolio management schemes focused on small- and midcap stocks in the past one-and-a-half years, may be tempted to invest once again, feel experts.

"The move by the finance minister will have longer term implications on corporate earnings and revival of the investment cycle," said Dhiraj Sachdev, chief investment officer, Roha Asset Management. "It will make India cost competitive compared to other south east Asian countries. An earnings upgrade can happen and bring back equity flows."

HNIs were disappointed with GDP growth slipping to a five-year low of 5% and shifting to other asset class like gold and fixed income. As mid- and small-cap stocks fell sharply, many investors suffered huge losses. This led to many investors postponing equity investments through the PMS and AIF routes with some even withdrawing their money. Distributors, however, believe this latest move by the finance minister could bring back some investors to the market.

Fund managers expect earnings of companies to move up followed by a revival of the capex cycle. As investors feel confident of earnings coming back, they are likely to commit more to equities. "The recent tax move is likely to provide a boost to the economy. We are revising our GDP growth forecast to 6.5% from 6.3% for 2019-20. The corporate tax cut is likely to not only attract greater foreign investments but could also support some revival in the capex cycle," says Abheek Barua, chief economist, HDFC Bank.

"We believe, this push is a vital sentiment booster and will positively impact earnings of companies in our portfolio by 10-12% across our portfolios. Market consensus for EPS impact purely on account of the tax change is 7-10%. A demand recovery during the upcoming festive season will further improve corporate earnings over the next few quarters," says Jinesh Gopani, head (equities), Axis Mutual Fund.





	Sep 20, 2019	% chg		Sep 20, 2019	% chg
Hero MotoCorp	2866	13.19	M&M	569	9.53
Maruti Suzuki India	6585	10.89	HDFC Bank	1200	9.06
IndusInd Bank	1420	10.74	Tata Motors (DVR)	62	8.83
Bajaj Finance	3706	10.19	Hindustan Unilever	1970	8.71
State Bank of India	302	10.09	Larsen & Toubro	1413	8.63

Volume (in ₹ cr)

JUL 5, 2019: 2853

SEPT 20, 2019: 6040

Market-Cap (in ₹ cr)

JUL 5, 2019: 1,50,75,896

SEPT 20, 2019: 1,44,89,237

Earnings Growth may Rocket to 15-Year High

Ranjit.Shinde@timesgroup.com

The trend: Tax rate has hovered between 25% and 29%

Fiscal Year	Tax/LHS (₹ cr)	Tax/PBT (%)
FY4	135,000	27.5
FY5	115,000	28.5
FY6	140,000	29.0
FY7	155,000	28.5
FY8	150,000	25.5
FY9	165,000	29.5

Deceleration in net profit

■ Net profit (₹ cr) (LHS) ■ Year-on-year change (%)

Year	Net profit (₹ cr)	Year-on-year change (%)
2005	360,000	-
2006	360,000	0.0
2007	480,000	33.3
2008	450,000	6.3
2009	450,000	0.0

In FY18, the aggregate tax rate for the sample had fallen to around 25 % due to losses reported by some of the large public sector banks amounting to over ₹68,000 crore before taxes.

Data for a sample of 167 companies of the BSE 200 Index excluding non-domestic companies; Source: **Capitaline, ETIG Database**

Cos that announced buybacks before July 5 not under ambit of tax introduced in Budget

Our Bureau

Mumbai: The buyback issuances of at least half a dozen companies including Infosys, Welspun, SKP Securities and Star Cement are set to benefit as the central government on Friday exempted the buybacks announced before July 5 from the ambit of the new tax. The development came at a time when several market participants had expressed concern that the buyback tax announced in the budget was potentially applied with retrospective effect.

The government had announced in the July Union Budget that buybacks of the listed companies would be subject to buyback tax at 20%. The meas-

ure was part of anti-abuse provisions and aimed at curbing wrongful exploitation of the buyback route.

"Concerns were raised by Indian listed companies which had filed for buyback of shares (as on July 5) to stock exchanges on the levy of buyback tax as this was not factored in by them in their cash outflow arising from buyback," said Amit Singhania, partner, Shardul Amarchand Mangaldas. "This has been addressed by the finance minister and now those companies will not be required to pay buyback tax."

The government introduced the tax on buybacks since listed entities were increasingly using the route instead of dividends to return capital to shareholders.

Previously in FY16, it had introduced additional dividend distribution tax (ADT) that applied to all those investors who receive more than Rs 10 lakh worth dividends in a year. After this, most of the companies started lowering their dividend payouts and instead undertook share buybacks. The route has now been curbed by the government.

Ashutosh.Shyam@timesgroup.com

A cut in the corporate tax is expected to result in the highest earnings growth for India Inc since 2006. The growth in the Nifty 50's earnings per share (EPS) may be upgraded by 7-8%. This will be a significant improvement given that the index's 12-month expected EPS had fallen by 5% to ₹645 after the June 2019 quarter results – the highest earnings downgrade among the top global equity markets.

Kotak Institutional Equities revised upwards its earnings growth for Nifty 50 to 25% from 15% buoyed by the sharp cut in corporate tax rate. According to Kotak estimate, automobiles, banks, capi-

tal goods, consumer staples, diversified financials and oil, gas & consumable fuels will be key beneficiaries of the cut while electric utilities, IT and pharmaceuticals will see little or no impact.

At present, there are twenty companies in the Nifty 50 with tax rate higher than 25%. They have a cumulative weight of 39% in the index. The prominent beneficiaries of the tax cut include Bajaj Finance, Britannia Industries, HDFC Bank, Kotak Mahindra Bank, Elcher Motors, Bajaj Auto, ONGC, Asian Paints and Hero MotoCorp. The tax outgo of these companies was more than 30% in FY19 relative to the profit before tax (PBT).

Nestle India, which will be a part of the Nifty 50 soon, will be another big beneficiary considering its tax outlay rate of 34% in FY19. The average tax rate for the broader BSE 500 index was 31-34% in the past two fiscals with tax outlay of ₹2.3 lakh crore. It accounted

	Fig In basis points
Bajaj Finance	940
Elcher Motors	915
Britannia Inds	893
HDFC Bank	844
Asian Paints	840
Nestle India	840
ITC	740
Hero MotoCorp	690
Indusind Bank	690
ACC	690

Source: KIE

of 34% of the total corporate tax collection, according to Credit Suisse.

The lower corporate tax may also help in improving valuations of Indian equities given the possible improvement in the return on eq-

uity. They trade at 40% premium to the MSCI Emerging Market Index, which is close to the 10-year average of 41%. A year ago, it was over 70%. A possibility of superior earnings should help in widening the current premium.



 The govt needs to follow up with other softer measures to boost business confidence to make the most of this fiscal stimulus. Markets will also be closely watching the fiscal situation from now on

MAHESH PATIL
Co-CIO, equities,
Aditya Birla MF Fund

This is probably the biggest step the govt has taken to rejuvenate manufacturing as competitiveness will encourage local and foreign businesses to invest for the long term

MANISH GUNWANI
CIO – equity Investments
Reliance Nippon AMC



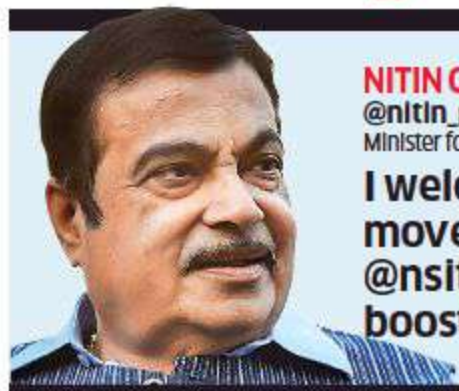
 We have seen liquidity released by RBI and now the FM has done her bit, which will go a long way in reviving sentiment. The step is aimed at boosting investments rather than getting growth through wasteful expenditure

NAVNEET MUNOT
CIO, SBI Mutual Fund

SAMIR ARORA
@samsamirarora

 This is not bigger than budget, this is bigger than last 20 budgets

Market Intelligence Powered By: ETIG Database www.etIntelligence.com[illegible]

**NITIN GADKARI**

@nitin_gadkari

I welcome and appreciate the move by the Finance Minister @nsitharaman. It will give further boost to the #MSME sector



CORP TAX RATE CUT PROCESS BEGAN IN 2015

BUDGET 2015-16

The government had first announced its intention to cut corporate taxes progressively while presenting the budget for 2015-16. It had then said it would lower taxes to 25% from 30% in four years

**BUDGET 2016-17**

Corporate Income-tax rate was cut to...

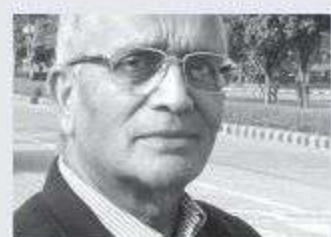
29% plus surcharge and cess for companies up to ₹5 crore turnover

25% for new manufacturing companies not availing any tax concession



Fiscal deficit could rise to 4% of GDP in FY20 as result of cut in corporate tax rates. However, the FM said while the govt was conscious of the impact, the booster dose could actually widen tax base

FM Hopes Tax Buoyancy Will Do the Trick



The reduction in tax to 22% is a windfall gain. In the short-term, companies can utilise these resources to promote sales and give more value to the customer. This is possibly the intention behind the reduction. The measures announced today underline the government's efforts to revive the economy

RC BHARGAVA
Chairman, Maruti Suzuki



It is a good move which addresses the cost of doing business in India and is a positive for the companies operating in India currently and for foreign investors thinking of India as an investment destination. However, the challenge for the government is to find alternative revenue streams to support the infrastructure expenditure being planned

TV NARENDRA
CEO, Tata Steel



UDAY KOTAK
@udaykotak
Reducing Corporate tax to 25% is big bang reform. Allows Indian companies to compete with lower tax jurisdictions like the US. It signals that our government is committed to economic growth and supports legitimate tax abiding companies. A bold, progressive step forward.



KUNAL BAHL
@kunalbahl
Incredible announcement which should deliver a great boost to the Indian economy. I am confident that the startup sector will also benefit tremendously with increased spending and investments that this will precipitate. @narendramodi @nsitharaman

Kirtika Suneja@timesgroup.com

India's fiscal deficit could go up 70 basis points to 4% of the gross domestic product (GDP) in the ongoing fiscal year after the government decided to cut the corporate tax rates, which may result in rising interest rates as it will need to borrow more to meet the shortfall. Bond yields rose 0.15 percentage points following the decision, which the government said would cost Rs 1.45 lakh crore in foregone revenue.

The government has budgeted for a fiscal deficit of 3.3% of the GDP in the current financial year.

Finance minister Nirmala Sitharaman said the government was conscious of the impact the tax cut would have on fiscal deficit, but added there could be tax buoyancy.

"The idea is that economic buoyancy will itself generate enough reasons for better income, revenue generation. The moment the taxes are brought down you are also expected to widen the basket. So, that is another reason why we will be having a positive impact on the revenue collection," she said in response to a question.

Independent economists expect fiscal slippage of 30-70 basis points for the financial year. One basis point is 0.01 percentage point.

"There is pressure from lower goods and services tax (GST), and now these announcements will further add to the slippage. We expect fiscal deficit at 4-4.1% of the GDP," said Sakshi Gupta, senior economist, HDFC Bank.

India's fiscal deficit touched ₹5.47 lakh crore in the June quarter, which is 77.8% of the budget estimate for 2019-20, as revenues remained muted. Advance tax collection in the July-September quarter was up only 4%, while GST collections have been below target.

A higher transfer from the Reserve Bank of India's surplus will provide some respite, but the government is still likely to face a big shortfall.

The RBI will transfer ₹1.76 lakh crore to the government following a recommendation by the Bimal Jalan-led committee. Of this, ₹28,000 crore was given as interim dividend last year.

Effective Tax Rate to Come Down

Effective tax burden on corporates had been rising because of phasing out of exemptions and incentives, rising minimum alternate tax and surcharge increases

THE AVG NOMINAL/STATUTORY TAX RATE BEFORE TODAY'S ANNOUNCEMENT WAS 34.4%

Income-wise nominal tax rate

Up to ₹1 cr: 30.90% | Between ₹1 cr & ₹10 cr: 33.06% | Exceeding ₹10 crore: 34.61%

THE EFFECTIVE TAX* RATE HAS GONE UP OVER THE YRS...



...BUT WILL COME DOWN NOW

Effective tax rate for domestic companies opting for 22% tax rate to be **25.17%**

Effective tax rate for new domestic manufacturing companies with 15% tax rate to be **17.01%**

*Effective tax rate is the ratio of total taxes, including surcharge and education cess but excluding dividend distribution tax, to the total profits before taxes and expressed as a percentage

The government had budgeted ₹90,000 crore as dividend from RBI this fiscal year, which means it will get about ₹58,000 crore over and above the budget estimate.

The government has also set an ambitious ₹1 lakh crore sell-off target.

It met the fiscal deficit target of 3.4% of GDP for the previous financial year, after sharply cutting spending towards the end of FY19 as revenue fell short of estimates.

"In the current scenario when tax buoyancy is already low, the revenue shortfall is expected to result in significant fiscal slippage. Netting out the positive inflow from the RBI dividend, we see a net tax shortfall of Rs 1 lakh crore, which amounts to approximately 0.5% of GDP," said Upasna Bhardwaj, economist at Kotak Mahindra Bank.

If the government decides to cut spending to meet the target, capital spending would take a hit and economic growth would suffer. Lower central tax collections will impact the fiscal situation of state governments as well through likely cuts in devolution of central taxes, and borrowing constraints may force state governments to curb or defer expenditure.

With roughly 42% of the central tax shortfall to be shared by states through lower devolution, expenditure cuts are likely to avoid substantial fiscal slippage.

"All these measures are supply side interventions and the economy is facing demand-related challenges. They might have a medium- to long-term impact, but it is too early to comment," said Devendra Kumar Pant, chief economist at India Ratings.

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No Gains for Recycled Investments

SAFEGUARDS IN PLACE Adequate care has been taken to ensure that 15% tax is available only to new investment in mfg, and not entities formed by splitting up or reconstructing a business

Deepshika Sikarwar
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Panaji: The government has taken adequate care to ensure that the proposed 15% tax rate is available only to new investment in manufacturing, putting in safeguards so that old investment is not recycled or repackaged to claim the benefit.

The fine print of the amendment to the income-tax law shows that entities formed by splitting up or reconstruction of a business already in existence shall not be eligible under the new regime. Exception would be made in situations of natural or manmade calamity, riot or fire wherein an entity needs to be re-established, reconstructed or revived on or after October 1.

Finance minister Nirmala Sitharaman cut corporate tax rate



MOVE LARGELY AIMS TO ATTRACT MFG COS LOOKING TO DIVERSIFY PRODUCTION OUT OF CHINA

to 15% for new manufacturing outfits that are set up on or after October 1, 2019 and commence manufacturing before March 31, 2023.

The move is largely aimed at attracting manufacturing companies that are looking to diversify their production out of China. With this new scheme, the country has now become among the lowest tax jurisdictions in South and Southeast Asia.

Under the proposed rules, investors will not be able to use more than 20% machinery or plant previously used for any purpose in the new investment.

However, used machinery or plant brought from overseas shall not be treated as old. But companies should not have claimed any deduction on account of depreciation in respect of such machinery. To get the tax benefit, they should not also use any building previously used as a hotel or convention centre.

"...in order to curb any misuse of the beneficial tax rate by the existing manufacturing companies, appropriate safeguards have been put in place. These conditions will make sure that only the newly set-up companies can avail (of) the relaxed rate of corporate tax," said Rakesh Nangia, managing partner at Nangia Advisors (Andersen Global).

Ripple Effect: Tax Breaks to Lift Depressed Job Market

Govt move to help protect employment before leading to addition of jobs

Prachi Verma Dadihwal & Sreeradha D Basu

New Delhi | Kolkata: The government's decision to reduce corporate tax is likely to bring cheer to the depressed job market.

The announcement has infused hope across sectors before the festive season, according to a host of industry experts ET spoke to. They expect the government move to help boost businesses and create employment. Profitable companies in sectors like consumer, retail, industrial manufacturing and construction would see addition of jobs, they said. In industries

such as auto and auto-ancillary that have been hit by a severe slowdown, this may come in as much-needed relief and help protect employment before leading to addition of jobs.

"This move will have a positive impact on investments in manufacturing, which, in turn, increases economic activity, augments production and creates jobs," ManpowerGroup Services India president Manmeet Singh said.

Most India Inc executives sounded bullish about the impact, but a few also cautioned that the positive effect on the job market could take some time to materialise.

"Looks like Diwali is here," tweeted Pawan Goenka, the managing director at SUV and tractor maker Mahindra & Mahindra.

Prashanth Doreswamy, the country head of tyre maker Continental India, said the tax break would allow companies to improve their working capital for the next financial year, giving the

industry an opportunity to invest back into the business. "This would also have a positive impact on the job market," he said.

"Just when the economy and Street were losing hope, the finance minister in a veritable Goddess Laxmi avatar has offered succour to millions of

countrymen who were praying for a revival in the economy and a return to prosperity," RPG Enterprises chairman Harsh Goenka said. He also expects the move to help revive capital spending and create jobs.

There has been a slowdown in the jobs market in the past couple of quar-

ters. One of the sectors that witnessed large-scale job losses was auto, where industry insiders and recruiters said an improvement in hiring sentiment might take more time than in profit-making domestic consumption-driven businesses such as FMCG, consumer durables and retail.

"Early to say, but if today's announcement results in business growth, then it may definitely change the hiring sentiments over a period of time as currently there is a hiring freeze across most auto companies," said Pawan Goenka's colleague Rajeshwar Tripathi, the chief people officer at Mahindra. "Jobs could be created only if the auto sector bounces back on track," he said.

Sanjiv Misra, the global director for HR at the Aditya Birla Group, said any positive step from the government encouraging investment and enabling companies to invest in the current economic climate was welcome. "As regards consequences for

jobs, stable jobs and sustainable employment happen when companies operate their business. So, the real job impact will be back-ended as investments fructify," he said.

Dabur India too is bullish, though the direct benefits for the company would be limited as most of its production facilities are in tax-free zones. "We hope that this would translate into an improvement in sentiments by way of enhanced consumer buying. This is likely to have a positive cascading effect in the medium to long term, leading to capacity addition and job creation," executive director HR V Krishnan said.

Sugata Sircar, the chief financial officer at Schneider Electric India, said the tax cut would provide "a fillip to manufacturing investments in the country, impacting the requirement for skilled professionals".

While there is cheer all around, employees may have to wait some more time for a salary hike, said job market experts.

Good News At Last

Tax rate cut to result in profitable cos with more funds to infuse in expansion

The expansion is likely to fuel jobs market

Positive sentiment may result in increased consumer spending

Auto sector, reeling under a slowdown, may see a revival

Premature to predict the impact on salaries or number of new jobs, say experts



BUDGET 2017-18

The tax rate was cut to **25%** for companies with turnover below ₹50 cr

96% of the total companies filing tax returns benefited from this

REVENUE FORGONE ESTIMATE: ₹7,200 cr a year

BUDGET 2018-19

Corp tax rate cut to **25%** was extended to companies reporting turnover up to ₹250 cr in FY17

With this, almost 99% of tax-filing companies – micro, small and medium enterprises – gained

₹7,000 cr revenue forgone estimated in FY19

BUDGET 2019-20

Companies having annual turnover up to ₹400 cr get benefit of a lower 25% corporate tax

This covers **99.3%** of the companies, and just 0.7% remain outside this rate

AMIT SHAH
Home Minister

Rationalisation of corporate tax had been a long pending demand, which is now a reality. This move will make our corporates globally competitive and our markets much more exciting for potential investors



A broad-based recovery in fund flows is on the cards once capacity utilisation picks up, but new investment may take the highway as the corporate tax rate cuts enhance India's manufacturing cost competitiveness

Investment En Route as FM Soups Up Engine

Consumer Companies May Add to Cart Before Cutting Prices

HIGH PRICES MAY STAY Credit Suisse expects most consumer companies to retain gains

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Mumbai: Consumer companies are likely to plough savings from India's biggest corporate tax cuts into building new factories and expanding operating assets instead of immediately slashing sticker prices of branded apparel, home appliances, cookies or other grocery items.

"A lower tax outflow definitely means higher free cash flow, which could lead to better working capital and more money for expansion," said Rakesh Blyani, joint managing director, Future Retail that owns Big Bazaar, Central and EasyDay.

Hindustan Unilever, Colgate, ITC, Britannia and Nestlé will benefit since their effective rates are 30-35%, higher than the recent announcement of 25%. Stocks of Britannia, HUL and Nestlé climbed between 6% and 9% on Friday.

Companies said the move would help spur investment, although the jury is out on immediate revival in consumption demand.

"A change in income tax slabs would have given money into the hands of the consumers, translating into immediate consumption. Here, some of the companies are, in any case, strapped for profit," said J Suresh, MD, Arvind Lifestyle Brands, which runs about two dozen brands such as Gap, Arrow, Children's Place and Sephora.

A Credit Suisse report said it expects most consumer companies to retain gains, or at best spread them over two years. Companies with large gains may smoothen earnings by increasing ad spends in FY20/21.

FMCG, apparel and retail segments have been battling slower growth for over three quarters now. Smartphone and home appliances saw a dip in sales beginning July.

"A reduction in goods and service tax would have a direct impact on prices, apart from recent scrapping of import duty on LED television panels, whereby prices for LED TVs will slip 2-3% from end-October," said Avneet Singh Marwah, chief executive, Super Plastics that makes Kodak and Thomson TVs.

India's festive season, beginning

with Ganesh Chaturthi and Onam, is the biggest shopping period, accounting for 35-40% of annual sales of consumer-facing companies.

"The corporate tax structure is not factored in the pricing mechanism and hence any benefit there will not reflect in the end consumer pricing," a senior executive with a leading smartphone maker said.

In FMCG, a high percentage of goods are manufactured in excise-free zones in Himachal Pradesh, Uttarakhand, and the North East that also enjoy central excise duty exemption or duty refund.

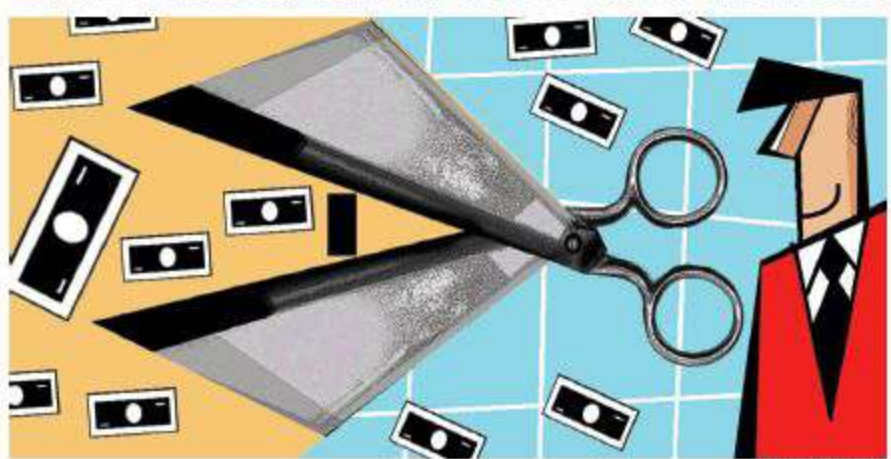
"At present, the impact is marginal but once we are past sunset dates for tax-free units, we can benefit from lower taxes," said Saugata Gupta, managing director at Marico Ltd.

Also, most companies said it is difficult to predict exactly which goods will have the most noticeable price reduction, they were confident the move will boost overall sentiment.

COMPANIES SAY THE MOVE WOULD HELP SPUR INVESTMENT, ALTHOUGH THE JURY IS OUT ON IMMEDIATE REVIVAL IN CONSUMPTION DEMAND

"The feel-good factor of this move will create optimism and consumption will certainly be spurred," said Varun Berry, managing director, Britannia. "The government has taken economic slowdown very seriously and has taken concrete steps to ease the situation, considering the tough operating environment in India."

The FMCG sector expanded 10% in the three months to June, marginally slower than 10.6% in the first quarter of FY19. However, sequentially, revenue growth has been consistently declining in the past four quarters from their peak of 16.2% in the three months to September 2018.



ANIRBAN BORA

India Matches Global Peers

India has reduced corporate income tax rates to attract foreign investment and boost manufacturing, bringing them on a par with global levels. ET explains the new rates...



LOWER RATE TO GIVE INDIA EDGE

Corporate tax rate (%) of Asian Tigers	
Taiwan	20
Indonesia	25
Philippines	30
Malaysia	24
Thailand	20
Vietnam	20
Laos	24
Cambodia	20
Myanmar	25
Singapore	17

15% RATE FOR NEW MANUFACTURING COS

22% rate for all domestic cos not availing any tax sops

15% rate for new manufacturing companies set up on/after Oct 1, 2019 but starting production before March 31, 2023, and not availing any sops

No MAT on companies availing 22% and 15% tax rates

30% (peak rate) for all other domestic cos, new 15% MAT rate proposed rate for such companies

CHINA, BRAZIL CORP TAX RATES NOW HIGHER THAN INDIA'S

Corporate tax rate (%)	
China	25
Brazil	34
Australia**	30
UK	19
The Netherlands	25
US***	21

*exclusive of surcharge and cess. **27.5% for small business entities. ***Some states impose no corporate income tax

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Reduction in corporate tax rates will boost business sentiment and spur investments with some frontloading of capacity expansion, but a broad-based recovery may come with a lag as many sectors witness low capacity utilisation, experts said.

The rate cut will raise profits, allowing companies to invest more, either with their own funds or debtfunded on the back of a stronger balance sheet. "It will change investor sentiment as a tax rate reduction has been a long pending demand," said Devendra Kumar Pant, chief economist, India Ratings. From 29.49% average tax rate in 2017-18 to 25.17% now, India will become an attractive destination for foreign investment and boost private sector savings, he said.

Private manufacturing investment has remained muted due to tepid demand and low capacity utilisation, while stress and high

debt had prevented private participation in infrastructure.

Expansion in capital expenditure in the last few years has been largely in the public sector, funded from the budget. As per Reserve Bank, capacity utilisation rose marginally to 76.1% in the fourth quarter of FY19, from 75.9% in the third. Seasonally adjusted capacity utilisation, however, fell to 74.5% in Q4 from 75.6% in Q3.

Manufacturing sector investments declined 10.3% in FY18, sharper than the 2.7% fall registered in FY17, as per recently released provisional data of the Annual Survey of Industries.

Gross fixed capital formation (GFCF), as measured by a survey of about 20,000 factories, was ₹3.31 lakh crore in FY18, compared with ₹3.69 lakh crore in FY17. A broad-based recovery in investment is likely once capacity utilisation picks up, but new investments may quicken.

Baba Kalyani, chairman and MD, Bharat Forge said the measures will provide "a big boost to rev-up private investments and improve

business and investor sentiment." It will go a long way in enhancing India's manufacturing cost competitiveness, he added.

"This should create a huge stimulus, and investment plans of new companies may get speeded up now from the new announcements

SECTORS WITH LESS DEPENDENCE ON LABOUR MAY SEE POSITIVE IMPACT SOONER THAN THE LIKES OF INFRASTRUCTURE, DUE TO ISSUES LIKE GREEN CLEARANCES

October onwards. The plans may get frontloaded. Existing companies that want to expand will also benefit," said N R Bhanumurthy,

professor at the National Institute of Public Finance and Policy.

The government has set a target of raising the share of manufacturing in the GDP to 25% by FY22, from around 17% now, through its ambitious 'Make in India' programme.

According to the national accounts, GFCF rose to ₹49 lakh crore in FY18, from ₹43.3 lakh crore in the year ago in terms of current prices. Sectors with less dependence on labour may see a positive impact sooner than those that are highly dependent on land and labour, like infrastructure, because of issues like environment clearances.

"Low business optimism, low returns on capital invested by the corporate in the non-financial sector and increase in inefficiency in capital employed, raises concerns over pace of revival in investment. Investment demand indicated by a Gross Fixed Capital Formation, which used to be around 35% in 2013 has fallen to 32% currently," said Arun Singh, chief economist at Dun and Bradstreet.

Profitability Up Ahead for Startups

STRUCTURE FOR ENTREPRENEURS Govt push to Make in India may benefit medium-scale manufacturers

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Bengaluru: Startups and technology companies have welcomed the move to cut corporate taxes. It could provide incentive for many startups to move towards profitability, industry insiders said.

"This move will reduce divergence between capital gains tax and corporate tax substantially, creating an incentive structure for many startups to look for profits," said Nithin Kamath, chief executive, Zerodha, one of the few large profitable startups from the city.



Many investors in startups sell their stakes at a higher valuation and only pay a lower capital gains tax, putting profitability on the backburner. This move will propel such entities to move towards profitability, experts said.

Pushing Make in India may benefit many medium scale manufacturers directly, they said. "Entrepreneurs with manufacturing operations under proprietorship and partnership entities may now look to create a corporate structure because of tax benefits. It may help in formalisation of the economy," said Devangshu Dutta,

chief executive, Third Eyesight, a consultancy firm.

At a macro level, ecommerce and payment startups are looking at the move as a booster dose to help lift consumer sentiment. Kalyan Krishnamurthy, chief executive of Flipkart, also said it will boost market sentiment and economic activity before the festive season.

Although a tax reduction will benefit corporates directly, how much of that will trickle down to consumers is the big question.

Whether the announcement will spur consumer spending remains to be seen, said industry experts.

Handset Makers Expect Lower Taxes to Give Fillip to R&D, Manufacturing

Move will help India achieve \$190-billion handsets manufacturing target: ICEA

Writankar Mukherjee, Danish Khan & Devina Sengupta

Kolkata | New Delhi | Mumbai: Consumer electronics and handset makers such as LG, Xiaomi, Dixon Technologies and OnePlus said Friday's tax cuts will boost investments into the local manufacturing ecosystem, including research and development (R&D), encourage component suppliers to set up shop, and generate employment.

"We have been continuously investing in India. Such reforms will give a boost to business, encouraging more investment in manufacturing," Ki Wan Kim, managing director, LG Electronics India, told ET.

China's Xiaomi, leading smartphone maker in India, agreed with the minister, saying the government's move will generate employment and encourage more investments in local R&D. It said it was "hopeful" of being able to "bring more of our component suppliers to India and help boost the local manu-

facturing industry further."

The government brought down effective tax rate for companies by about 10 percentage points to 25.17% and offered a reduced rate of 17.01%, including surcharges, for new manufacturing firms, as part of efforts to resuscitate the economy. Rates were lowered from nearly 35% and over 29%, respectively.

Industry body Indian Cellular and Electronics Association (ICEA) said the new steps could help India achieve the mobile handset manufacturing target of \$190 billion by 2025, around half of the total electronics manufacturing target, with a total export target of \$110 billion.

ICEA chairman Pankaj

Mohindroo said the condition of non-availment of exemption or incentive should be "clarified explicitly to imply that only income tax will be covered". "This will remove the doubts in minds of investors and will speed up the flow of investments into this sector," he said.

Sunil Vachani, chairman of electronics and smartphone contract manufacturer Dixon Technologies, said the tax cuts will bring India on a par with the global economy in terms of taxation for manufacturers. "Some countries like Vietnam have no tax for high-tech manufacturers like electronics, but then also India will be able to narrow the gap significantly and attract global in-

vestment due to its inherent advantages. It will revive the private investment cycle in India," he said.

Vikas Agarwal, general manager, OnePlus India, said the company was looking to further scaling up towards making India a hub for its global operations.

Dixon Tech will expand its investment for manufacturing capacity and add new categories, expecting a flurry of electronics and appliance makers to expand local production, and so will Super Plastics.

Ajeet Mehta, region head (APAC and India), HMD Global, makers of Nokia phones, was however cautious. "While the substantially reduced corporate tax percentage will encourage more entries, one continues to look out for more such measures that improve ease of doing business," he said.

"It's a great move by the government, at the most appropriate time," said Hari Om Rai, chairman, Lava International. "There could be certain issues and clarifications needed on the part where the government has offered further lower tax on fresh investments. However, one thing is very clear — the government is very sincere about business and economy. The current income tax reform is a great invitation to the global companies to come and Make in India."

India has to be turned into a hub for component manufacturing... This is a big financial incentive and I see India becoming a huge centre for electronics manufacturing

RAVI SHANKAR PRASAD
TELECOM AND IT MINISTER



Telecom Gear May Draw in \$50-billion Foreign Investment

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Kolkata: The sharp cut in corporate tax and lower rate for new domestic units can help attract a whopping \$50 billion (about ₹3.5 lakh crore) of foreign investment into telecom gear manufacturing, said sector experts.

Lower corporate tax for greenfield units, they said, could give India an edge over Vietnam and Malaysia in attracting top dollars into local gear production.

"Offering an attractive 17.01% tax rate for new domestic manufacturing units promises to put India on the telecom gear and electronics manufacturing world map, with a potential to attract at least \$50 billion in greenfield investments from the biggest global tech companies," NK Goyal, chairman emeritus, Telecom Equipment Manufacturers Association of India, told ET.

Sandeep Aggarwal, managing director of local optical fibre cable maker Paramount Communications, said "the big-bang tax reform is timely as many global telecom gear makers, who were lately relocating their factories



from China to Vietnam, will find India equally attractive."

Foreign network vendors with existing manufacturing units in India, however, want similar tax breaks to galvanise them into boosting production capacities and capex spends, especially as they are already manufacturing 5G gear locally in the run-up to the next spectrum sale — likely by this year-end or early 2020 — that will mark debut of 5G airwaves.

"We would urge the government to incentivise existing manufacturing entities in India to further grow volumes and capacity," said a Nokia India spokesperson.

Ericsson India managing director Nitin Bansal said it was "a flip" for domestic manufacturing.



The reduction of corporate taxes, including surcharges and cess, will significantly boost the economy and will provide a huge impetus for the manufacturing and infrastructure sector

ANIL AGARWAL
Chairman, Vedanta Resources

I only wish more such steps, which govt is already contemplating, could be taken together in one go so as to create deeper impact, instill more confidence in economy and amongst corporates

GOPICHAND P HINDUJA
Co-Chairman, Hinduja Group

ADITYA GHOSH
CEO, Oyo India

This will grow cos' retained earnings, which will result in investible surplus, shift India at par with its regional peers and maintain macroeconomic prudence by continuing to stimulate the investment cycle

ADITYA GHOSH
CEO, Oyo India

Cos will now have surplus funds that can be diverted to capacity expansion... While previous announcements were incremental in nature, today's announcement will have exponential outcomes for India

AJAY PIRAMAL
Chairman, Piramal Group

This will grow cos' retained earnings, which will result in investible surplus, shift India at par with its regional peers and maintain macroeconomic prudence by continuing to stimulate the investment cycle

ADITYA GHOSH
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CEO, Oyo India

A Bold Reform on Corporate Tax

Effective rate could come down even more

Finance minister Nirmala Sitharaman unveiled the mother-of-all direct tax reforms, proposing a cut in the corporate-tax rate for domestic companies to 22% and new domestic manufacturing companies to 15% against 30% now, provided they eschew exemptions and the minimum alternate tax (MAT). Adding surcharge and cess, the 22% rate becomes 25.17%. We welcome the basic principle of lowering rates to Asian levels, while doing away with exemptions. It will make large Indian companies much more competitive, leave them with more cash for investment, change India's branding as a high tax jurisdiction and motivate global players to set up shop here.

Not unexpectedly, industry and markets have cheered the reform that brings down the effective corporate-tax rate by about five percentage points. Companies could be tempted to avail themselves of the new 15% rate for new manufacturing capacity. That would boost growth. Companies that do not opt for the concessional tax regime and enjoy tax exemptions will continue to pay at the pre-amended rates but can move to the new regime after their tax holiday ends.

The tax burden (40% plus surcharge) has not been lowered for foreign companies, widening the gap in the tax rate between Indian and foreign companies. The anomaly needs to be corrected. Ideally, a uniform low corporate-tax rate for domestic companies is simpler than multiple rates, and administratively less cumbersome. Surcharges must go. Sparing listed companies that have already announced buyback of shares before the Budget from the tax on buyback is welcome.

The giveaways will cost the government around ₹1,45,000 crore. If sentiments improve and investment activity intensifies and growth picks up, tax buoyancy could reduce that figure. If not, we are looking at a fiscal deficit that is a tad higher than the budgeted 3.3% of GDP in 2019-20. But that would be no disaster. The task is to simplify GST and get more companies on board, thickening the mesh of audit trails, whose analysis and follow-up can lead to much income amenable to direct taxes, both corporate and personal.

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Major Ports Call for Corporate Structures

Finance minister Nirmala Sitharaman has announced that an action plan to reduce 'time to export' and 'turnaround time' at our major ports and airports, benchmarked to international standards, is to be implemented by December 2019. This is welcome. There is much potential to leverage digital technology to expedite export clearances, and to boost logistics and infrastructure so as to reduce dwell time at our ports.

A recent study shows that by proactively reducing the average turnaround time of a ship — the duration between when it drops anchor and when it departs — by 50%, India can raise merchandise exports by at least 20%. The average dwell time at major ports abroad is now only about half a day. And while

turnaround time at our major ports has considerably improved of late, they remain between 1-2 days at our most efficient major ports. The finance minister has stated that actual turnaround times will be published in real time for each port, to transparently shore up port performance levels double-quick. In tandem, there's

the pressing need to modernise existing ports, step-up port capacity, and speedily improve road, rail and multimodal connectivity with key production hubs. We need to speedily raise investments in logistics parks and shore up port-linked industrialisation.

In parallel, our major ports must be given more business-like structures, norms and procedures. While the Major Port Authorities Bill — which is to replace the dated Major Port Trusts Act — does delegate power to the concerned board to raise loans and issue security for capital expenditure, we surely need more efficient corporate structures at the major ports. Corporatisation would lead to better incentives for operations, easier raising of capital and unlocking of shareholder value.

How could Laxmi remain 'on the run' for two months in Delhi without detection?

The Elephant in the Police Room

Elephants in the room are famously invisible but supposedly palpable, so an actual one should be as large as life and twice as discernible. Yet, the fact that Delhi Police had failed to locate 37-year-old Laxmi — now Jasmine — for over two months, was the elephant in the room no one wanted to acknowledge. A high-ranking police official may find it easy to simply disappear into thin air even as India's best sleuths scour Kolkata, but an elephant managing to elude Delhi's finest khaki-clad Sherlocks is surely a matter of some embarrassment. It is not as if she could simply melt into the underbrush — elephants have neither the size nor the weight to do so without considerable commotion. Even so, Laxmi remained on the run — figuratively speaking, of course, because an actual elephant at full pelt would be hard to hide — with her supposed owner in a big city. That she was finally 'rescued' is not something the police should trumpet.

Elephant jokes, they say, posit absurdity as a possibility rather than resolve a query. However, given that the answer to a basic query in that genre — "Where do you find elephants?" — is "Depends on where you lost them," the joke was clearly on the police as Laxmi was found 'hidden' on the banks of the Yamuna in Delhi, not far from where the police lost track of her. Perhaps they mistook her for a Ganapati idol.

CORPORATE TAX CUT Gol's move means better tax compliance and making India a business destination

MORE THAN SHOW BIZ

Now India Inc, You Deliver



Rajiv Memani

Finance minister Nirmala Sitharaman's announcement on Friday to slash the basic corporate-tax rates to 22% for all domestic companies without tax exemptions or incentives, and 15% for new manufacturing companies is a bold move. It is, indeed, the most significant corporate tax reform after the goods and services tax (GST).

The new rate should reduce the cost of capital and catalyse investments by repositioning India as one of the most competitive economies. In a way, Gol has handed over its own corpus of about ₹1.45 lakh crore to India Inc to improve its balance-sheet. The alacrity with which it has acted after a series of engagements with industry is commendable. It is now for India Inc to rekindle its entrepreneurial spirit and make fresh investments.

Some of the decisions announced are in alignment with the proposals made by the task force on the new direct tax law. On the rate front, however, the reforms have gone much beyond those recommendations. The option of a 17.01% effective tax rate for new domestic companies incorporated after October 1, 2019, making fresh investments in manufacturing and commencing operations by March 31, 2023, is one of the most competitive tax rates in the world.

Even for existing companies, the new effective tax rate of 25.17% is lower than the Gol's own estimate. Hitherto, the average effective tax rate for all profit-making companies, inclusive of surcharge and cess, was, post-incentives, 29.49%. The option for companies to adopt concessional tax without exemptions and incentives lends fairness and simplicity, which should encourage better compliance and reduce litigation.

Corporate income tax (CIT) is 25% in China and Indonesia, and 30% in the Philippines. The new rate for India becomes much closer to the OECD average of 21.4%. The US witnessed a far-reaching impact after reducing its CIT to 21%. However, considering the combined impact of state-level income tax applicable in the US, India will be more competitive than some US states. This advantage will strengthen India's position to leverage opportunities in the global supply chains being disrupted due to the US-China trade war.

There is also a sweetener in the form of exemption from minimum alternate tax (MAT), a huge relief for companies, especially loss-making enterprises and those that have converged to Indian Accounting Standards (Ind-AS). The exemption eliminates scope for litigation on accounting and fair valuation adjustments.

There may be transitional adjustments for deferred tax assets and MAT credit as an accounting offshoot of the corporate-tax reductions. But industry should not mind, given the larger interest of substantial savings in future tax liability.

Another welcome measure is the relief from buyback tax for listed companies, which had announced buyback plans before the Budget was announced. The companies were worried about the retrospective impact of the announcement, which made them liable to pay additional 20% buyback tax. Recognising concerns, the FM has decided that tax on buyback of shares, prior to the Budget announcement on July 5, for such companies won't be charged. For any future buyback arrangements, Gol should provide the right mechanism for estimating tax on such transactions, so that investors do not suffer double taxation on the same capital.

Until now, companies were allowed to provide corporate social responsibility (CSR) funds to technology incubators located within Gol-approved academic institutions. The expansion in the scope of mandatory CSR spending of 2% by including payments to central or state government-funded or recognised R&D institutions provides an opportunity to companies to better comply with CSR requirements. It will also help channelise more funds towards research.

These announcements and other measures are estimated to make a dent of ₹1.45 lakh crore to government revenues. There have been arguments that, given the constrained fiscal situation, any stimulus package may be precarious. However, the booster shot of low taxes was much needed. If Gol accelerates disinvestment, the fiscal burden can be partially alleviated. Moreover, lowering of corporate-tax rate will widen the tax net and gradually increase revenues.

Recent measures to stimulate exports and the housing sector, together with steps taken on the consumption side, demonstrate Gol's commitment to growth.

The writer is chairman, India, EY



Sugata Ghosh

Hope for Quick Trickle-Down

For a government better known for its daring — and often audacious — political decisions, Friday's announcements will go down as the most impressive gamble till now on the economic front: bold and long term, sudden yet tenable. It surprised financial markets, which were scrounging for a story and were beginning to believe that a regime, riding on a stunning political mandate, has chosen to disregard the slowdown that is putting off investors and crimping the ability of businesses.

The big questions now are: how soon, how wide will be the trickle-down effect? Will Corporate India share a slice of its windfall with customers, suppliers and employees? Rarely, if ever, has New Delhi changed direct tax in the middle of a financial year. And when it did, it refrained from lowering tax on individual income — unless there's another, though less likely, dose of surprise awaiting in the weeks before Diwali.

A cut in personal income tax (I-T) might have buoyed sagging consumer sentiment in an economy that revolves around the consumer story and is today hit by dwindling demand. For a government witnessing slow tax collections, reducing the tax on individuals is more tempting, as it costs less. But even as it leaves more money in the wallets of consumers, a cut in personal I-T is less enduring and can be reversed when times are good. Compared to this, a corporate-tax cut signals a structural step.

It's evident that Nirmala Sitharaman and her team of advisers are betting on steps that would create economic surplus and boost investment demand, rather than trigger a quick improvement in consumer confidence that they, probably, hope steps like the loan mela would take care of. In fact, the nature and potential of Sitharaman's latest set of measures are such that they come across more as serious reform, rather than desperate sops thrown by an anxious government to battle job losses and

falling growth.

As a medium-term measure, a lower tax rate puts Indian companies on a better footing to compete in the world market against their peers in China, Indonesia, South Korea and Malaysia. Indeed, as the next logical step, advocates of lower corporate I-T would now favour sparing companies of the dividend distribution tax and taxing the entire dividend in the hands of investors — a step that could make Indian companies distinctly more attractive to foreign portfolio managers as well as strategic investors.

But that is a medium-term story. How will the fiscal boost play out over the next few months? What is New Delhi hoping for? Probably higher dividend payment by companies, a softening in the price of goods and services, public sector companies making faster payments to vendors, and new investments by manufacturing companies, even if it means tax arbitrage under a new subsidiary.

Vocal, euphoric stock traders are not only thrilled by higher earnings forecast, particularly of larger companies, due to the tax cut, but are covering their shorts amid a belief that the measures could lead to a recovery cycle. If that sentiment prevails, it would help the FM to pull off some big-ticket disinvestments — money that will be badly needed with government borrowings expected to go up.

Till now, in countering the slowdown, RBI was battling on the front foot — with interest-rate cuts and liquidity injection through open market operations — while Gol, seemingly confident about the economy, was playing second fiddle. Will this change now? Will the monetary authority now go slow on rate reduction and the government go all out to revive growth?

Policymakers are staring at three big truths. The space for further fiscal easing and higher government spending is fast shrinking. Interest rates, as borne out by higher bond yields, may not dip as quickly as it was expected — a phenomenon that would make it tougher for companies to lower debts. And, no one really knows how long the tax bonanza would take to percolate.

Like SBI chairman Rajnish Kumar, who prays every morning for recovery of the bank's bad loans, his boss Nirmala Sitharaman will be keeping her fingers crossed. She has put her cards on the table: it's investment over consumption.

sugata.ghosh@timesgroup.com



THE SPEAKING TREE

The Way of Moderation

MAULANA WAHIDUDDIN KHAN

The middle path means the path of moderation. One instance of it can be seen in the following verse of the Quran: 'be neither miserly nor prodigal; for then you should neither be reproached nor be reduced to penury. The same point has been made in another verse that characterises "the true servants of the Merciful" are "those who, when they spend, are not extravagant and not niggardly, but maintain a just balance between those extremes".'

According to this verse, moderate spending means neither lavishness nor miserliness but rather a balanced expenditure that will make life much easier to lead. In the same way, as regards optional fasts and prayers, a middle path is desirable for man, as this enables him to maintain such a pattern of behaviour over a long period of time. Man must shun extreme paths in all matters, for this accords with both the spirit of religion as well as with worldly success.

The middle path, is the non-emotional way. If a man loses his mental balance when confronted with any difficult situation in life, he goes to one extreme or the other. But if he keeps his feelings under control, he will be able to determine the proper course of action by giving it ample thought.

A well considered deed is always a moderate one. He will also be given to undue optimism in positive and pessimism in negative situations, and will unnecessarily regard some individuals as too bad and others as too good. A moderate approach in life always succeeds, while taking the path of extremes inevitably leads to failure.

Cittings

Managing Change

SCOTT COWEN

Mavericks are known to shake things up. Many companies and organisations benefit from people who do things differently from everyone else because these individuals see what no one else has seen, take risks that no one else has been willing to take, and ask questions that no one else has dared to ask.

If all goes well, mavericks promote innovation, due diligence and productivity. However, there is a difference between being an independent-minded, rule-defying lone ranger and an effective maverick. A maverick's effectiveness doesn't just hinge upon an organisation's ability to create an environment in which the maverick can flourish.

Mavericks need to do their part to demonstrate that they are operating in the interest of the organisation and that their ideas have merit. Effective mavericks' contributions are based on sound principles, a moral compass and facts. A constructive maverick feels a sense of purpose and has developed strong beliefs that are grounded in experience that he or she can express and defend logically and comprehensively.

In an ideal scenario, the maverick manages to balance passion with patience and conviction with calmness. If frustration sets in despite all good intentions and conflict spins out of control, effective mavericks know better than to air their dirty laundry externally.

From "How to Be an Effective Organisational Maverick"

Chat Room

Early Diwali on Stock Markets

Appropos 'Fabulous Friday', D-Street Investors Richer by ₹7 lakh Crore in a Day' by Rahul Oberoi (Sep 20), the biggest corporate-tax reductions on Friday led to the biggest stock market gains of the decade as the FM's mini budget brought early Diwali cheer for most investors on the bourses. Markets have been volatile this calendar year with most investors not garnering decent returns. Of course, the government will take a hit of ₹1.45 lakh crore due to the tax cut, which may impact the fiscal deficit. Higher consumption next year would mean more tax collections even at reduced rates, which would rein in fiscal deficit.

S N KABRA
Mumbai



the pressing need to modernise existing ports, step-up port capacity, and speedily improve road, rail and multimodal connectivity with key production hubs. We need to speedily raise investments in logistics parks and shore up port-linked industrialisation.

In parallel, our major ports must be given more business-like structures, norms and procedures. While the Major Port Authorities Bill — which is to replace the dated Major Port Trusts Act — does delegate power to the concerned board to raise loans and issue security for capital expenditure, we surely need more efficient corporate structures at the major ports. Corporatisation would lead to better incentives for operations, easier raising of capital and unlocking of shareholder value.

How could Laxmi remain 'on the run' for two months in Delhi without detection?

The Elephant in the Police Room

Elephants in the room are famously invisible but supposedly palpable, so an actual one should be as large as life and twice as discernible. Yet, the fact that Delhi Police had failed to locate 37-year-old Laxmi — now Jasmine — for over two months, was the elephant in the room no one wanted to acknowledge. A high-ranking police official may find it easy to simply disappear into thin air even as India's best sleuths scour Kolkata, but an elephant managing to elude Delhi's finest khaki-clad Sherlocks is surely a matter of some embarrassment. It is not as if she could simply melt into the underbrush — elephants have neither the size nor the weight to do so without considerable commotion. Even so, Laxmi remained on the run — figuratively speaking, of course, because an actual elephant at full pelt would be hard to hide — with her supposed owner in a big city. That she was finally 'rescued' is not something the police should trumpet.

Elephant jokes, they say, posit absurdity as a possibility rather than resolve a query. However, given that the answer to a basic query in that genre — "Where do you find elephants?" — is "Depends on where you lost them," the joke was clearly on the police as Laxmi was found 'hidden' on the banks of the Yamuna in Delhi, not far from where the police lost track of her. Perhaps they mistook her for a Ganapati idol.



"The poet is intimate with truth, while the scientist approaches awkwardly."

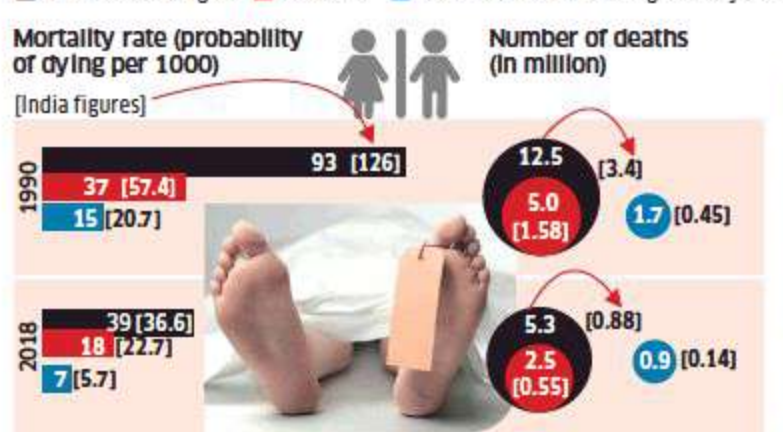
Jagadish Chandra Bose
Scientist

Child Deaths Coming Down...

Tremendous progress in child survival has been made over the past two decades. And, yet, one child or young adolescent died every five seconds in 2018.

Global mortality rates and deaths by age

■ Children under age 5 ■ Neonatal ■ Children and adolescents aged 5-14 years



Source: Levels & Trends in Child Mortality (United Nations)

Bell Curves ■ R Prasad



You have property, bank balance, bangle, gaadi, and now maa also respects wealth creators!

Let's Now Seal it With a KISS



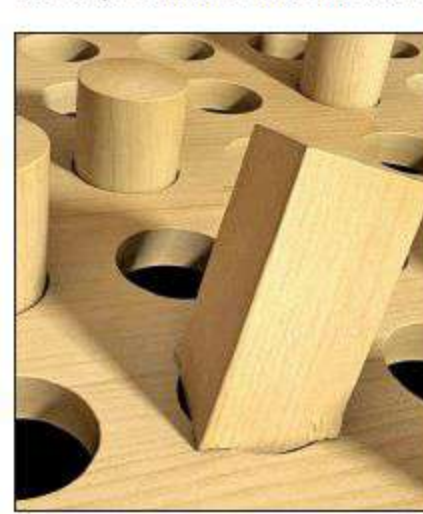
G R Gopinath

While Nirmala Sitharaman's big-bang announcement on corporate-tax reduction on Friday has had a huge positive impact on industry sentiments, the day ended with a whimper with her announcements of 'tinkerings' with the goods and service tax (GST). The FM should be reminded of the 'KISS' principle: Keep It Simple, Stupid. Attributed to Lockheed aircraft engineer Kelly Johnson, 'KISS' was to urge his engineers to keep aircraft design so simple that even a stupid person should be able to repair the aircraft with ordinary tools on the combat field.

Bureaucracy the world over, is usually oblivious to 'KISS'. An Amazon ad boasts that it sells more than a crore of different products, apart from myriad services, with more categori-

es added every day. Asking bureaucrats to identify and categorise all products and services for differential tax slabs in the GST regime is the surest way to get into a muddle.

Empirical data from across the world on the benefits of a unified single tax is incontrovertible. So, an unambiguous directive to the bureaucracy is necessary to come up with just two categories: goods eligible for zero tax, and the rest to come under a



Why complicate things?

single rate, say, between 10% and 15%, or even lower. That means everything, except those specifically exempt, is taxed. This will not only be easy to comply with but will result in compliance and higher collections, while minimising corruption.

Take the 'sin taxes'. They make no sense and are at cross purposes with Gol's overarching policies of generating growth and creating jobs. In this, the GST Council's tax rate cut in hotel tariffs is welcome. A typical 300-room five-star hotel generates direct employment for around 500 people, 90% of whom include waiters, housekeeping, cooks and concierge staff. A host of others are employed in associated services such as the spa, gift shops and the swimming pool.

The hotel also generates indirect employment in ancillary areas. It buys bed linen, furnishings, rugs and carpets (that are periodically replaced), ACs, cutlery etc, not to mention food produce. All these generate jobs and income for farmers, contractors, artisans and other manufacturers.

Five-stars also generate forex by attracting rich tourists and visitors, and has a direct bearing on foreign

direct investment. The same logic should apply to bringing down high taxes on ACs, cakes and luxury cars.

The low-cost airline model is successful because of 'KISS' — the elimination of all frills like food and assigned seats. It has single-class seating, point-to-point travel with no code sharing, direct internet booking, and no middlemen.

Sitharaman should take a cue from Prime Minister Narendra Modi who hinted at major GST reforms, and the doing away with all the confusing tax slabs in one fell swoop — a move that will be both populist and well-regarded by economists.

Even as Sitharaman has done the right thing and brought cheer to many by reducing corporate income tax, higher taxes, GST included, have never solved a country's economic woes. For that, one needs deep and far-reaching reforms. She will do well to remember what Winston Churchill once said, 'For a nation to tax itself into prosperity is like a man standing in a bucket and trying to lift himself by the handle.'

The writer was founder, Air Deccan

QUICK HITS

Norway, Britain to Build World's Biggest Offshore Wind Farm

Oslo: Norway's Equinor and Britain's SSE Renewables have been selected to build the world's largest offshore wind farm off the British coast, an investment of €10.2 billion (\$11.3 billion), Equinor said on Friday. The two energy groups were awarded contracts to develop three large scale offshore wind projects in the North Sea's Dogger Bank area with a capacity of 3.6 GW, expected to produce enough energy to power the equivalent of 4.5 million British homes, Equinor said. **AFP**

RBS Picks First Woman to Lead Major UK Bank



London: Britain's bailed-out Royal Bank of Scotland on Friday appointed long-serving banker Alison Rose as chief executive, making her the first female boss of a major UK lender. Rose, currently deputy head of the group's NatWest Holdings retail business and its commercial and private banking division, will replace Ross McEwan on November 1, the company said in a statement. She will become the only woman to have led one of Britain's so-called "Big Four" banks that comprise Barclays, HSBC, Lloyds Banking Group and RBS. The incoming CEO, an advocate of gender equality in business, has risen to the top in a traditionally male-dominated arena after working for 27 years at Edinburgh-based RBS. **AFP**

US Fed Ex Pilot Arrested by Chinese Authorities

New York: A FedEx pilot was arrested in China and released on bail, the company has said, amid an ongoing row with Beijing over the US firm's delivery irregularities involving telecoms giant Huawei. Todd Hohn, a former US air force pilot, was arrested by Chinese authorities a week ago as he waited for a commercial flight in the company's Asia hub of Guangzhou, after making a round of deliveries. After the arrest, authorities searched his luggage where they found air gun pellets, a source close to the matter told AFP. "Chinese authorities in Guangzhou detained and later released one of our pilots on bail after an item was found in his luggage prior to a commercial flight," a FedEx spokeswoman told AFP on Thursday, confirming information first published in the Wall Street Journal. Chinese authorities have opened a criminal investigation, according to the paper. **AFP**

Climate Protesters From Paris to Sydney Rally to Save the Planet

Estimated 300,000 rally for climate in Australia, 80,000 people show up in Berlin

Canberra | Berlin: In Canberra and Kabul, Cape Town and Berlin, and across the globe, hundreds of thousands of people took the streets on Friday to demand that leaders tackle climate change in the run-up to a UN summit.

Many were children who skipped school to take part in the second "Global Climate Strike", following a similar event in March that drew large crowds.

Events kicked off in Australia, where protesters marched in 110 towns and cities, including Sydney and the national capital, Canberra. Demonstrators called for their country, the world's largest exporter of coal and liquid natural gas, to take more drastic action to reduce greenhouse gas emissions.

"Even though we ourselves aren't sick, the planet which we live on is, and we are protesting and fighting for it," said Siobhan Sutton, a 15-year-old student at Perth Modern School.

Organisers estimate more than 300,000 protesters took to Australian streets in what would be the country's biggest demonstration since the Iraq War in 2003.

The protests are partly inspired by the activism of Swedish teenager Greta Thunberg, who has staged weekly demonstrations under the heading "Fridays for Future" over the past year, calling on world leaders to step up their efforts against climate change. Thunberg is expected to speak at the UN Climate Action Summit on Monday.

Hundreds of rallies took place across Europe, including in the Czech Republic, Germany, Britain and Poland, which is still widely coal-reliant and where many mid-



People take part in a protest to call for action on climate change in Sydney

le schools gave students the day off to enable them to participate in the rallies in Warsaw and other cities.

In Berlin, organisers said 80,000 people gathered in front of the capital's landmark Brandenburg Gate.

In Helsinki, the Finnish capital, a man dressed as Santa Claus stood outside parliament holding a sign: "My house is on fire, my reindeer can't swim."

Smaller protests took place in Asia, including in Japan, South Korea, the Philippines, Hong Kong and India. In Tokyo, hundreds of students and environmental activists marched through the business and shopping district of Shibuya, chanting "Climate Justice!" while holding hand-painted placards made of cardboard with mes-

sages such as "Go Green", "Save the Earth", and "The Earth is on Fire".

In the Afghan capital, Kabul, an armoured personnel carrier was deployed to protect about 100 young people as they marched, led by a group of several young women carrying a banner emblazoned with "Fridays for Future".

Rallies were also held in Johannesburg and Pretoria, as well as Nairobi, where some young protesters wore hats and outfits made from plastic bottles to emphasize the dangers of plastic waste, a major threat to both cities and oceans. Climate change "is worse than homework", one sign proclaimed.

Further rallies were planned in the US, where organisers say more than 800 events are expected. **AP**

Earth-Shattering

Amazon to Buy 100,000 E-Vehicles

San Francisco: Committing to net-zero carbon by 2040 and 100% renewable energy by 2030, retail giant Amazon has ordered 100,000 fully-electric delivery vehicles from Rivian, the largest order for electric delivery vehicles. It plans to have 10,000 of the new electric vehicles on the road as early as 2022 and all 100,000 vehicles on the road by 2030, thus saving 4 million metric tons of carbon per year by 2030. **IANIS**

Strikers 'Drop Dead' in Thailand

Bangkok: More than 200 young people in Thailand stormed the environment ministry on Friday and dropped to the ground feigning death as they demanded government action on climate change along with thousands of strikers around the world. The young strikers were chanting "Save our Earth" as they marched into the government compound, before lying down on the ground to play dead. "This is what will happen if we don't act on climate change now," said one of the strike leaders, Nanticha Ochaoenchai, 21. **Reuters**



Climate Change: 1 Quip at a Time

London: For thousands of student protesters around the world, the fate of the planet is a serious business, but some couldn't resist a bit of fun to press home the point to judge from their placards. "The planet is getting hotter than my imaginary boyfriend," read a poster held by a teenager in Thailand. Another girl in Bangkok seemed to feel guilty about skipping classes to demonstrate. Her placard read: "I'm missing school for this" (Better be worth it!). In Australia, placards read: "We'll go to school when the earth is cool" and "No beer on a dead planet". Rising sea levels inspired a terse warning from a woman in Melbourne, whose placard read: "Learn to change or learn to swim." **Reuters**

...But, Trump Admin Bars California from Requiring Cleaner Cars

Washington: President Donald Trump's administration said on Thursday it is revoking California's authority to set its own auto tailpipe emissions standards and require some zero-emission vehicles, a move certain to spark a legal battle between federal officials and the most populous state over the future of US vehicles.

US Environmental Protection Agency (EPA) administrator Andrew Wheeler said the decision will ensure nationwide rules that provide "much-needed regulatory certainty for the automotive industry". Currently, California's more stringent vehicle emissions rules are followed by a dozen other states that account for more than 40% of US vehicle sales.

The California Air Resources Board approved a resolution to allow the agency to pursue individual agreements with four automakers that in July agreed to voluntarily adopt emissions rules with California that were stricter than those proposed by the Trump administration but less stringent than rules pursued under Democratic former President



EPA administrator Andrew Wheeler

Barack Obama.

The Trump administration cited those agreements as part of its rationale to deny California a waiver to allow the state to implement its own emissions rules.

California officials have vowed to fight in court to preserve the state's standards in a battle that could eventually be decided by the US Supreme Court. The Trump administration has been waging a multi-pronged battle to counter the state's efforts to fight climate change by reducing emissions of greenhouse gases from vehicles. **Reuters**

Merkel Coalition Seals \$60-Billion Deal to Fight Climate Change

Berlin: Chancellor Angela Merkel's ruling coalition agreed on a landmark package totaling about €54 billion (\$60 billion) to get Germany's climate policies back on track, easing mounting pressure at home and giving her something to showcase at a UN conference next week.

After more than 16 hours of overnight negotiations that began Thursday evening in Berlin, Merkel's Christian Democratic-led bloc and the Social Democrats agreed to put a price on carbon dioxide emissions for the transport and heating sectors and promote a shift to electric vehicles.

Merkel said Germany has learned from its struggles to lower emissions in recent years and will continue to evaluate the programme to ensure the country meets its targets to reduce carbon dioxide emissions. "We've created numerous incentives, so that people can behave in a more environmentally responsible way," said Merkel. "We believe we can reach these targets."

Germany's leaders were under pressure to seal a deal, with the country falling far short of its climate goals. **Bloomberg**

Not Selling WhatsApp or Instagram, says Mark Zuckerberg

Washington: Facebook CEO Mark Zuckerberg has rejected a US lawmaker's call to break his company, saying he's not going to sell WhatsApp or Instagram at any cost.

Senator Josh Hawley (Missouri Republican) tweeted that he met Zuckerberg during his visit to Washington on Thursday, and asked him to sell Instagram and WhatsApp. "Just finished meeting with @facebook CEO Mark Zuckerberg. Had a frank conversation. Challenged him to do two things to show FB is serious about bias, privacy & competition. 1) Sell WhatsApp & Instagram 2) Submit to independent, third-party audit on censorship. He said no to both," tweeted Hawley, one of Facebook's biggest critics.

Zuckerberg also met President Donald Trump in the Oval Office. "Nice meeting with Mark Zuckerberg of @Facebook in the Oval Of-



Zuckerberg in Washington

fice today," tweeted Trump. This is Facebook CEO's first public trip to Washington since he testified before House and Senate committees in April last year over Cambridge Analytica data scandal affecting 87 million users globally. According to media reports, Zuckerberg met several lawmakers this time and discussions included allegations that Facebook curtails conservative speech. **IANIS**

Rogue Oil Trader Causes \$320-Million Loss at Mitsubishi Corp Unit

Unauthorised trades were disguised as transactions for customers

Tokyo | Singapore: Mitsubishi Corp. said a rogue oil trader at its Singapore unit lost \$320 million on unauthorised transactions disguised as legitimate hedges for customers. The employee, a Chinese national working at Petro-Diamond Singapore, has been fired and reported to police, Mitsubishi said in a statement, declining to name him. The trader, hired in November 2018 to handle oil business with China, "repeatedly" engaged in the unauthorised deals since January, disguising them to "look like hedge transactions", the parent company said.

A person familiar with the matter identified the trader as Wang Xingchen, also known as Jack Wang.

While Mitsubishi is still assessing if the now-closed trades will impact earnings, a loss of \$320 million would be less than one-tenth of its projected profit for the year. In August, the giant trading house, the biggest of Japan's so-called sogo shusho, forecast full year net income of 600 billion yen (\$5.6 billion).

Mitsubishi said the employee manipulated data in Petro-Diamond's risk management system so that the transactions appeared to be associated with actual trades with customers. "Large losses from derivatives trading" were incurred since July as the price of oil dropped, and the unit began an investigation into the transactions in the middle of August when the employee was absent from work, Mitsubishi said. The trader was fired on September 18 and reported to police the next day. **Bloomberg**

US Fines Hyundai \$47m over Dirty Diesel Engines

Washington: South Korean shipbuilding and industrial firm Hyundai Heavy Industries will pay a \$47-million fine for illegally importing and selling dirty diesel engines in violation of American environmental rules, US authorities have announced. Between 2012 and 2015, the company imported nearly 2,300 diesel-powered heavy construction vehicles with engines that did not meet US emissions standards, the US justice department said.

"Hyundai put profits above the public's health and the requirements of the law," Jeffrey Bossert Clark, head of the department's environment and natural resources division, said in a statement. "We will not tolerate such sche-

mes that skirt the Clean Air Act, designed by Congress to improve air quality." The case began with a whistleblower tip submitted in 2015 to the US Environmental Protection Agency, which launched criminal and civil proceedings.

A US court earlier imposed a \$2-million fine on the company for the clean air violations.

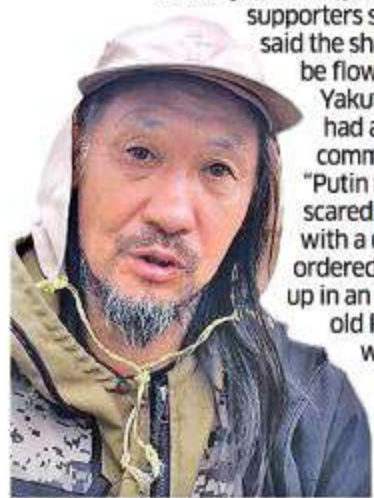
Officials say the diesel engines were not certified to meet emissions standards for particulate matter and nitrogen oxide, both of which contribute to disease and premature death. **AFP**

TIPS, TRIVIA & TRENDS

YOUR DAILY DIET OF FUN AND FACTS

Russia Sends Anti-Putin Shaman to Psychiatric Ward

A Siberian shaman who was detained while on a trek across Russia to banish President Vladimir Putin from the Kremlin has been confined to a psychiatric ward, authorities said on Friday. Self-styled shaman Alexander Gabyshev had walked about a third of the way from his native Yakutia to Moscow, where he planned to expel "demon" Putin, when he was grabbed in the night near Lake Baikal on Thursday. "Gabyshev was sent to the Republic's psychiatric clinic" where he would undergo "expert procedures", the Yakutia health ministry said in a statement. "If pathologies are discovered in this patient, we are ready to offer qualified medical help," it said. The Opposition accused authorities of employing "punitive psychiatry", a Soviet-era tactic widely used against political dissidents, which saw opponents locked up with a diagnosis of schizophrenia or paranoia. Gabyshev began his 8,000km walk from Yakutia in March, making his way along the country's highway with a simple cart carrying a tent and belongings. His resilience and direct statements about Putin attracted media attention and sympathy on social networks. He met supporters as he passed through Russian cities, with some joining his trek and recording his progress on video. In Ulan Ude last month, his appearance led to clashes after his supporters were detained. But Thursday, as he and followers were sleeping close to Lake Baikal, Gabyshev was snatched by masked officers who had blocked the highway to carry out the operation, his supporters said. Police said the shaman would be flown back to Yakutia, where he had allegedly committed a crime. "Putin really got scared of a shaman with a cart and ordered to lock him up in an asylum. An old KGB method," wrote opposition leader Alexei Navalny on Twitter. **AFP**



Ralph Lauren Launches Workwear Inspired by Friends' Rachel Green

To mark the 25th anniversary for iconic sitcom Friends, high-end fashion label Ralph Lauren has launched a workwear range inspired by the wardrobe of Jennifer Aniston's alter ego Rachel Green. The collection will go on display in Bloomingdale's, which is hosting a special installation in honour of the show's 25th anniversary. "Just as Friends proved to be a perennial favourite series for viewers over the last 25 years, this collection reflects Ralph Lauren's timeless styles and archetypes that have remained a go-to for the modern working woman. The collection is a celebration of the brand's role in the series," said Ralph Lauren in a press release issued to Today.com. The pieces come from Polo Ralph Lauren and Lauren Ralph Lauren and prices start from £120. The collection is also available online and in Ralph Lauren stores. **PTI**



Reporters in Turkish Court for 'Ruining the Economy'



Two Bloomberg reporters appeared in a Turkish court on Friday accused of trying to sabotage the economy with an article about last year's currency crisis. They were among dozens of defendants, including some who had simply written jokes about the currency crisis on Twitter. The Bloomberg article was published in August 2018 on a dramatic day when the lira lost around a fifth of its value against the dollar. It said the central bank would hold an emergency meeting. "For the central bank to call a meeting was normal... I hardly understand why our story has received such a reaction," Kerim Karakaya, one of the journalists, told the court. He faces trial along with his colleague Fercan Yalincik. Others in court appeared shocked to be facing trial over throwaway comments on Twitter. "If me and the others in this room can ruin the economy with tweets, then we are all lost," said one of the defendants, Halit Tokkus. **AFP**

Facebook Employee Dies in 'Apparent Suicide' at Headquarters

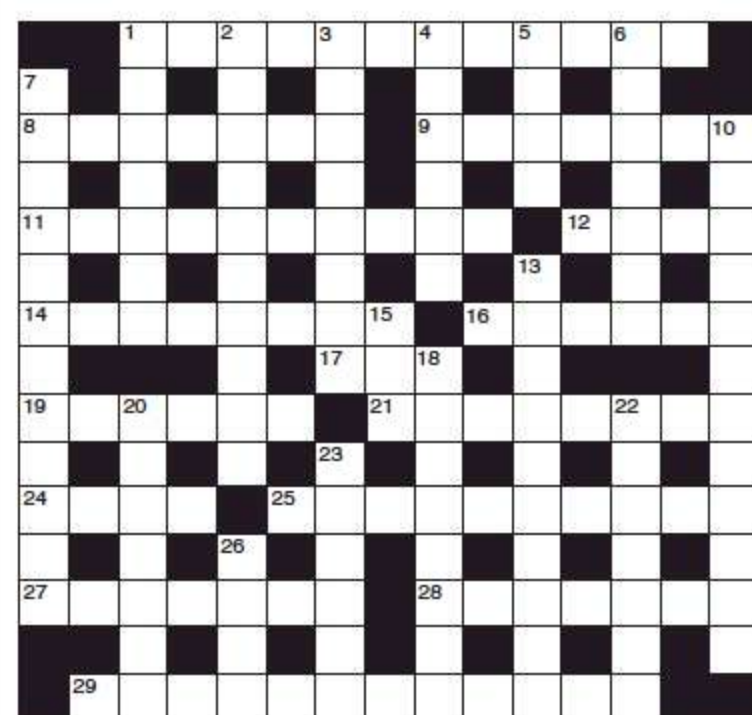
A Facebook employee has died in what the police described as "an apparent suicide" at the social media giant's headquarters in Menlo Park, California. The local Menlo Park Police reported in a statement that at 11.30am on Thursday, they received a call reporting an adult man had jumped off the fourth floor of a building on Jefferson Drive, reports Life News. When police and fire department personnel arrived, they found the victim unresponsive. "Firefighters and paramedics administered medical aid but were unable to revive the victim. The victim was pronounced deceased at the scene," the statement said. It added that a preliminary investigation indicated no foul play. Facebook confirmed the man was one of its employees and said the company was "cooperating with police in their investigation and providing support" to other staff. **IANIS**

YouTube Pays Compensation after Girl Dies Copying Her

A Chinese influencer has agreed to pay compensation to the families of two girls after one died in what her family says was an attempt to copy a viral video. Yeah, 25 - whose real name is Zhou Xiao Hui - has seven million subscribers on YouTube and is known for unconventional office cooking videos. The girls, aged 14 and 12, were allegedly copying a video in which Yeah makes popcorn in a tin can, the BBC reported on Friday. The girls were heating up alcohol in the can when it exploded on August 22. The 14-year-old, identified as Zhezhe, later died from her injuries on September 5. The 12-year-old girl, Xiaoyu, needs cosmetic surgery, according to her family. Despite paying compensation, Yeah denied that the girls were replicating her video saying they attempted a different method, and that her videos are not meant to be instructional. The online star is known for videos in which she makes elaborate meals at work using equipment found in her office. **IANIS**

Crossword

7518



- DOWN**
- Person who gathers food on behalf of a German (7)
 - Terse comment claims icon's forged (10)
 - Bright child getting reprimand, by the sound of it (8)
 - Stimulate top-class service in fashion (4, 2)
 - One part of assembly (4)
 - Material is somehow thin and supple on the inside (7)
 - Radio vessel in which bankrupt may end up (12)
 - Show perhaps wide vehicle touring Georgia and South Africa (12)
 - Judge not fit to control daughter may be paid back (10)
 - It opens and closes code in US (3)
 - Brewer's crew accompanies a royal couple (3-5)
 - Make more 3 bleach (7)
 - Veto hunt without special feast (7)
 - Forgetting name, extend introduction to Americans (6)
 - Start to debate drink and depression (4)

- ACROSS**
- Happily bring out old American during display (12)
 - Overhear a chemist receiving listener's complaint (7)
 - Second edition to do with children (7)
 - Potentially nine more go where plant is on board (6, 4)
 - Whistle excessively close to pilot (4)
 - Broadcast the female groups' broadcast (8)
 - Information on woman somewhere in Switzerland (6)
 - Settled where Pierre spends the night? (3)
 - Enjoy dressing (6)
 - After parking, a number dispersed in shade (8)
 - Clasp European of vast dimensions (4)
 - Top singer, demure, heading off another one (5, 5)
 - Risk tablet to control stray rat (7)
 - Top half of bikini raised objections heard in farm (7)
 - Maybe slip foreign articles beside man holding weapon (12)

- SOLUTION TO 7517**
- ACROSS:** 1 Cahoots, 5 Occupy, 9 Nightie, 10 Equator, 11 Awe, 12 Indifferent, 13 Theta, 14 Deckchair, 16 Launch pad, 17 Octet, 19 Crash helmet, 22 Ram, 23 Omnibus, 24 Trampoline, 26 Inland, 27 Typeset, 28 DOWN: 1 Contact, 2 Higher education, 3 Oat, 4 Steed, 5 Open faced, 6 Coupe, 7 Pithecanthropus, 8 Crater, 12 Isaac, 14 Depressed, 15 Croft, 16 Lecturer, 18 Tempest, 20 Hoo-ha, 21 Motet, 25 Alp.
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Dilbert

by S Adams



No Expense Spared for The Great Indian Wedding Spread

Managing the slowdown means paring the guest list, but the sky is still the limit as far as the food is concerned.

Anjali Venugopalan & Sreeradha D. Basu
report

Luxury weddings are feeling the bite of the slump—but there's no cutting corners when it comes to food. Leading wedding planners, hotels and caterers to the rich and famous say that while the economic slowdown has hit spending on marriages—even those of the super wealthy—the great Indian wedding spread remains well and truly insulated.

From hiring Swiss truffle makers, noodle pullers from Xian and pizza acrobats from Naples, to keto counters and exotic health food, new highs of innovation and extravagance are being scaled on the food front, even in these times of cutbacks.

Vinit Mody, partner at Chetak Caterers, which serves the wealthiest Marwari and Gujarati families, said that while some clients are paring guest numbers or even reducing the number of functions, spending on food continues to go up.

Top wedding planner Vandana Mohan

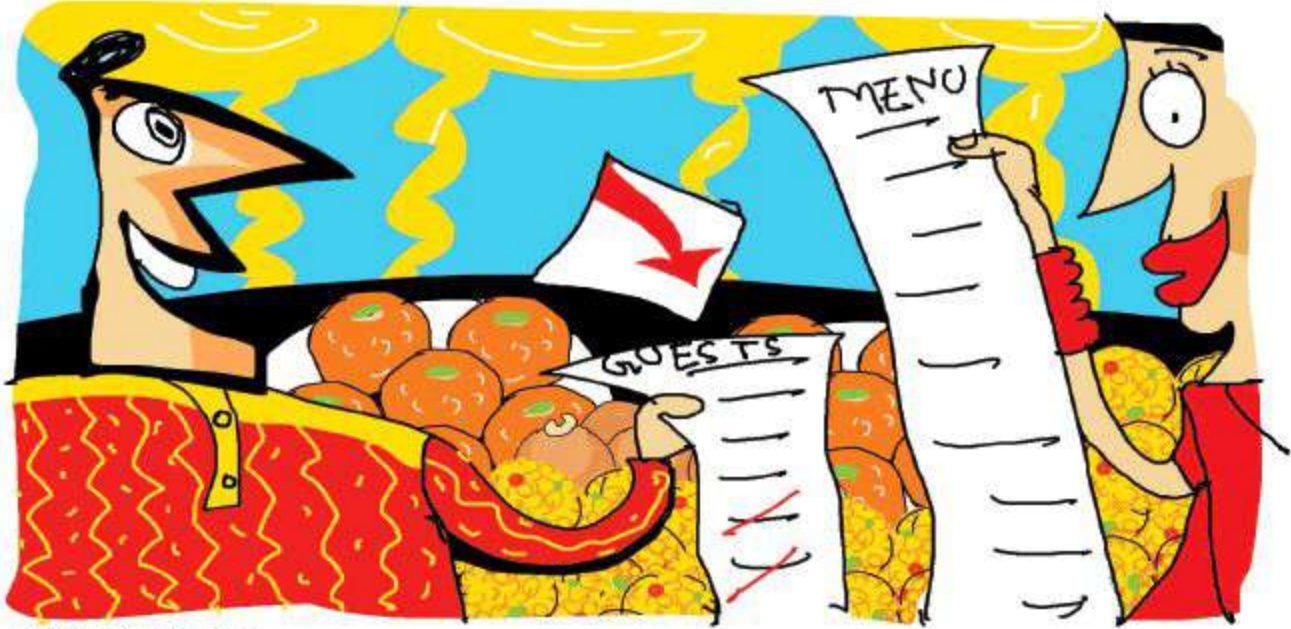


Illustration ANIRBAN BORA

agreed. "Weddings are not insulated from the slowdown," said the founder of Wedding Design Co., the go-to planner for celebrities and top business families, including the Jindals and the Mittals. "A wedding will happen but the scale at which it happens will differ. Spends will be on food and drinks as Indians love to feed their guests. The slowdown will be on gifting, the décor etc."

Guests at a recent wedding in Hyderabad were treated to macarons and ice creams made by chefs from the 157-year-old Parisian luxury bakers and sweets maker Ladurée, said Varun Tuli, managing director of gourmet caterers FoodInc by Yum Yum Tree. "The drive is to stand out and give

an experience that cannot be gotten anywhere," Tuli said. At another wedding by FoodInc, molecular gastronomy chefs from the Spanish Basque Culinary Institute treated guests to edible balloons, which are served only at the Michelin-starred restaurant Alinea in Chicago. Pizza acrobats from Naples were roped in for an entrepreneur's wedding in Delhi.

"International chefs are flown down in business or first class—they have as many demands as a star," said Mody.

At a recent high-end wedding in Rajasthan, the host had a team flown in from Confiserie Sprüngli in Switzerland at a cost of nearly Rs 50-60 lakh just so that the guests could experi-

ence live truffle making firsthand.

Well-travelled clients are making informed choices and demanding authentic food, Mohan said. Think burrata makers from a small village in Italy, local chefs from Kolkata for hilsa and ragi dosa makers from the south. "We've brought chefs from Surat for Surti locho, from Surendranagar to make fafras and jalebis, from Indore to make garadu chaat and bhutte kakas," Mody said. For one wedding, Amritsari food was made with water from the city because chefs said it made a big difference to the taste.

What about the cost? "Rs 10,000 per head an evening is nothing—it can go up to Rs 20,000-25,000. Basically, the sky's

the limit," said Anjan Chatterjee, chief executive of Speciality Restaurants, which operates Mainland China and Oh! Calcutta.

The idea is to have intimate functions with smaller guest lists, but spend on maximising the experience, said Tina Tharwani, cofounder, Shaadi Squad, which organised the Anushka Sharma-Virat Kohli nuptials.

The economic slowdown has had an effect, said Arjun Chadha, an ex-Taj chef who now runs Culinary Affaire, a catering service. "Lots of people are preferring destination weddings even as close to Agra and Jaipur so that the number of people reduce and budget remains same," he said.

Also popular are multiple mini-restaurants. During the wedding of a Bangkok-based Indian entrepreneur this year, guests could sit down at mini-versions of celebrated Japanese, Korean, Thai and French restaurants, said Bhraman Rattan, founder, Wedabout.com, a wedding planning website.

At the spirit counters, gin bars with a variety of gins and gin-infused cocktails are a hit, said Tharwani. Mehak Shahani, cofounder of WedMeGood, said that one client even asked for gummy bears drenched in alcohol.

Health food is also trending. A bride from a Chennai business family asked for a keto counter during her wedding, said Tharwani. At another, uber-healthy poke bowls, a Hawaiian dish made of raw marinated fish, rice and vegetables, were served. Mohan said "boost counters" are also popular, serving mixes of fruits and vegetables.

Goddess of Economics

The whole idea of Lakshmi being whimsical, and continuously moving, is a reminder that money has value only when it is circulated



DEVDUTT PATTANAİK
Author of Business Sutra

Buddhism is a religion where you are told that desire is the cause of suffering, where we hear of Buddha giving up his kingdom to become the great awakened one. Yet, at the stupa where he is remembered, we find some of the earliest images of the goddess of wealth, Lakshmi, Sri. Merchants and monks who venerated Buddha believed that desire is the cause of suffering, but they also respected Lakshmi, because they were pragmatic enough to know that without Lakshmi, life cannot function. Even Jains say that when Lakshmi appears in the dreams of women, they are destined to give birth to saints, heroes and kings.

The word 'Lakshmi' itself comes from the word 'laksh' which means target. Inanimate objects don't have targets, but all living creatures have a target. All living creatures look for food to survive. So, their target is food. Food, their laksh, becomes their Lakshmi. For plants, Lakshmi is sunlight, water, nutrients. For herbivorous animals, Lakshmi is grass and leaves. For carnivorous animals, it is the flesh of other animals. So, basically, Lakshmi is that which sustains nature.

For humans, Lakshmi is not just food, it is also property. It is the clothes we wear, the house we live in, the products we consume. So, the more Lakshmi we have, the more comfortable our life becomes. That is the concept of Lakshmi. The ancient Vedic seers understood it long ago, which means the oldest song praising Lakshmi is called the Sri Sukta, which is found in the Rigveda.

It is where you pray for Lakshmi to come into your life in the form of cows, horses, grain, gold and all kinds of services. We find Lakshmi being considered a goddess, not just of affluence and abundance, but also auspiciousness, in Buddhist and Jain literature.

They say that Lakshmi is born from the ocean of milk—just as we get butter out of milk, in the same way, you get Lakshmi from the ocean of milk, by churning. This sounds poetical but what it actually means is that, in order to get Lakshmi, we have to work. The ocean of milk is the market, she is present in the market, but to obtain her from the market, we have to churn the market.

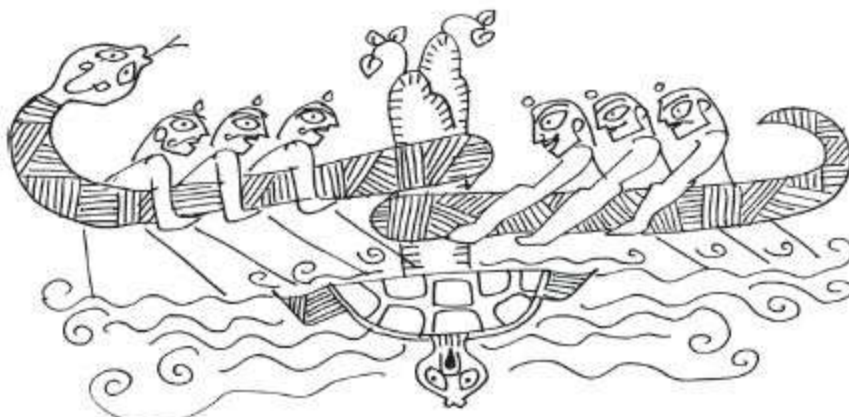
Lakshmi is called 'chanchala'. Chanchala means 'one who is whimsical', you don't know in which direction she will move. Nobody can predict the movement of Lakshmi, just as we cannot predict the movement of the stock market, the monsoon, if the

next year's harvest will be good, if a company will be profitable next year, if we will get a promotion or a bonus next year. Lakshmi's movements are unpredictable.

Therefore, she is called Chanchala. She moves in every direction.

The value of money comes only when you use money. So, if you have ten rupees in the pocket, it has no value, unless you give it to somebody for goods and services, so keeping money locked away does not work. This whole idea of Lakshmi being chanchal, or whimsical, and continuously moving, is a reminder that money has value only when it is circulated. Its value comes either when Lakshmi comes into your house, or you give her away, in exchange for goods and services, or you provide goods and services in exchange.

Since Lakshmi is whimsical, she does not come through hard work, each time. Some people, like Karni, have to work hard to get Lakshmi. Others, like Duryodhana, get Lakshmi because they are lucky to be born in rich families.



The number of birds in the United States and Canada has declined by 3 billion, or 29 percent, over the past half-century, scientists find

The Skies are Emptying Out

Carl Zimmer

The analysis, published in the journal Science, is the most exhaustive and ambitious attempt yet to learn what is happening to avian populations. The results have shocked researchers and conservation organizations.

In a statement on Thursday, David Yarnold, president and chief executive of the National Audubon Society, called the findings "a full-blown crisis."

Experts have long known that some bird species have become vulnerable

to extinction. But the new study, based on a broad survey of more than 500 species, reveals steep losses even among such traditionally abundant birds as robins and sparrows.

There are likely many causes, the most important of which include habitat loss and wider use of pesticides. "Silent Spring," Rachel Carson's prophetic book in 1962 about the harms caused by pesticides, takes its title from the unnatural quiet settling on a world that has lost its birds:

"On the mornings that had once throbbed with the dawn chorus of robins, catbirds, doves, jays, wrens,

and scores of other birds voices, there was no sound."

Kevin Gaston, a conservation biologist at the University of Exeter, said that new findings signal something larger at work: "This is the loss of nature."

Common bird species are vital to ecosystems, controlling pests, pollinating flowers, spread-

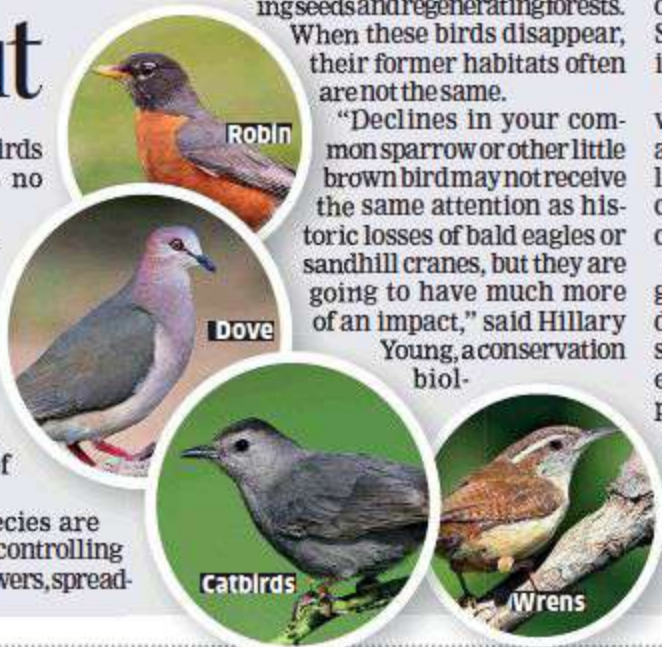
ing seeds and regenerating forests. When these birds disappear, their former habitats often are not the same.

"Declines in your common sparrow or other little brown bird may not receive the same attention as historic losses of bald eagles or sandhill cranes, but they are going to have much more of an impact," said Hillary Young, a conservation biologist at the University of California, Santa Barbara, who was not involved in the new research.

A team of researchers from universities, government agencies and nonprofit organizations collaborated on the new study, which combined old and new methods for counting birds.

For decades, professional ornithologists have been assisted by an army of devoted amateur bird-watchers who submit their observations to databases and help carry out surveys of bird populations each year.

In the new study, the researchers turned to those surveys to estimate the populations of 529 species between 2006 and 2015.



New York Times

Preserving the Spirit of Central Vista

Silk Stalkings



Reshmi Dasgupta

The announcement of the Central government's intention to "redevelop" the Central Vista of New Delhi, which encompasses Rashtrapati Bhavan at one end and the Dhyani Chand National Stadium at the other, and includes India Gate and a clutch of government 'bhavans' has naturally filled many hearts with dread. After all, ugly as some of the newer buildings are, we've gotten used to them.

I am reminded of the controversy surrounding the now-much-loved IM Pei-designed glass pyramids in the forecourt of the Louvre Museum. Back in the 1980s, putting up Egyptian funerary structures inside a hallowed European Renaissance palace complex triggered a barrage of harsh criticism from top French architects, aesthetes and the lay public alike. It was even deemed to be a 'megalomaniacal folly'.

President Francois Mitterand, who bypassed due process to give the contract to the Chinese-American Pei instead of to a French architect or firm, was derided as a 'pharaoh'. His critics even averred his real intention was to create a personal monument rather than refurbish a historic museum. And his supporters said critics were more driven by their hatred for him and the Left than any substantive objection.

All this sound familiar today as worthies weigh in on the architectural fate of New Delhi, which has applied to UNESCO for heritage status. It has not helped matters that relevant ministers first appeared to indicate—and then deny—that Edwijn Lutjens and Herbert Baker's iconic sandstone buildings are indeed a part of the Raisina Hill may be "rebuild", which indicated they would have to be demolished first.

It is, of course, a fallacy that Lutjens' grand imperial vision has remained undisturbed all these decades after Independence. The alterations began not long after 1947 when Prime Minister Jawaharlal Nehru ordered the destruction of all the largest bungalows—designed to house the elite Members of the Viceroy's Council—along the axes now called Rajendra Prasad Road and Maulana Azad Road.

A single grand bungalow of that size now remains—the residence of the Vice President of India. The others gave way in the 1950s and 1960s to twin east-west bhavans called Krishi and Udyog, Shastri and Nirman, Rail and Vayu, and of course Vigyan. Barring the first pair, none bore any resemblance

to the sandstone and pillars theme of Lutjens and Baker. And they certainly haven't aged well.

Then in the Indira Gandhi years came high-rise commercial monstrosities along the boulevards north of Rajpath that brazenly breached the tree-line height restrictions so central to the Lutjens vision of New Delhi. The Meridien, Kanishka and Ashok Yatri Niwas hotels (the last two now differently named private entities), and others were also allowed to puncture the skyline of the Central Vista.

After her death, another large swathe—25 acres to be precise—of Lutjens-planned government bungalows and their mature trees along Rajpath were razed to make way for the Indira Gandhi National Centre for the Arts (designed by the American architect Ralph Lerner) again with nary a tear shed by anyone. But only one of the buildings designed for the taxpayer-funded complex has actually come up.

During AB Vajpayee's term as PM, a gargantuan "Police Memorial" reared up at one end of Shantipath, obscuring the view of Rashtrapati Bhavan's serene dome. It took sustained pressure on relevant bodies to dismantle the rocket-launcher-like steel contraption. The centrepiece is now a smaller granite menhir sculpted by the current director of the National Gallery of Modern Art, Advaita Gadanayak.

During Narendra Modi's prime ministership, the government has commissioned and completed the National War Memorial enclosing part of the grounds surrounding India Gate. Doom and the onslaught of the Philistines had been prophesied then too but the final monument has turned out to be surprisingly tastefully planned, and not at all conflicting with the atmosphere of the Central Vista.

Now, no less than New Delhi's favourite historian, William Dalrymple has conceded that the new museums inside the restored barracks are far better than anything he had thought possible (by this government, of course, is the silent rider).

Barring Pretoria-like Raisina Hill, it is unlikely Lutjens and Baker would recognise the city they built. So many of their bungalows have vanished, to be replaced by already-crumbling government ghettos; even palaces of Indian Princes have become sarkari offices. But just because, like the Louvre pyramids, we've become used to the additions of successive ad hoc visions, should we protest any change?

No one in their right mind would mourn the destruction of the odorous rabbit warrens that government 'bhavans' along Rajpath have become. But the government, which has been hitherto mindful of the aesthetics of the Central Vista for its projects, should also show its bonafides for the most ambitious make-over yet.

Laying Down the Law

Being semi-prone in public has been seen as both a sign of weakness and power. **Vikram Doctor** reports



Britain's Leader of the House of Commons Jacob Rees-Mogg relaxing on the front benches during the standing order 24 emergency debate on a no-deal Brexit in the House of Commons in London on September 3

the imperial decline. This association was evident when Edward Terry, who was appointed the English chaplain to the East India Company in 1616, encountered reclining again in the Mughal court. Terry criticised the way the wealthy travelled, reclining in palanquins carried by humans: "They make the shoulders and joints of those that feel their heavy weight, to bow and buckle under their burdens. This is as it should seem an ancient, but a base of femininity sometimes used in Rome."

THE EMPIRE

The problem was that palanquins were such a standard means of travel that, much to Terry's discomfort, the British were taking to using them as well. In India reclining didn't have the depraved associations of Rome. Gods are often depicted reclining, most famously Vishnu on Shesha-naga dreaming the universe into existence. This pose is even distinguished into different categories of reclining, like Ardhasayanam, Yogasayanam, Virasayanam and Bhogasayanam, depending on how the deity's limbs are placed and what they are holding.

Palanquins also made sense in a country where horses were mostly meant for military use. (Other forms of animal powered travel, like elephants or bullock carts also involved reclining in some way). An elaborate system of palanquin bearers existed, with certain communities, particularly from Odisha, operating across India in organised networks that set up relay teams of bearers. As the British moved out from their original bases in Surat, Madras and Calcutta, using palanquins became inevitable.

One sign of this can be seen in Hobson-Jobson, the anthology of British-Indian terms, compiled by Henry Yule and Arthur Burnell. The entry on palanquins is unusu-

ally long and includes a personal note that "the elder of the present writers has undergone hardly less than 8000 or 9000 miles of travelling in going considerable distances (excluding minor journeys) after this fashion." Apart from palanquins there are also entries on variants like the munchees of Malabar, the doodies of north India and the bochas, a kind of palanquin only found in Calcutta.

Despite their ubiquity, a sense of unease always went with Westerners using palanquins. Hobson-Jobson quotes the Italian traveller Pietro della Valle on the edicts that the Portuguese kept passing to stop their men using palanquins "as in good sooth too effeminate a proceeding." But he noted caustically that "as the Portuguese pay very little attention to their laws, as soon as the rains begin to fall they commence getting permission to use the palankin, either by favour or by bribery..."

REINVESTING THE PALANQUIN

In Jonathan Eacott's Selling Empire, his study of how the idea of India was sold to the West through trade in its products, he describes how the palanquin was reinvented to make it more acceptable to Westerners. The basic model of palanquins was known as fly palanquins, resembling "a well contrived couch with pillows and an arched canopy over it" that were held

Reclining was famously associated with Roman dining though Matthew B. Roller notes the practice was transmitted from the Near East through the Greek world into central Italy by the late archaic period

up on a pole in front and behind.

But in the 1780s, the design of palanquins changed, most likely under the influence of British carriage builders. Eacott notes how in 1778 then nawab of Arcot, one of the first Indian nobles recognised by the British (and whose status was almost uniquely passed on to independent India, and is still maintained today) commissioned a special palanquin from British carriage builders that might have been the model for the new style.

Known as 'mehannah palanquins' these models replaced "open sides with wooden panelling and added doors fitted with windows and venetian blinds. ... Similarly, as in carriage construction, builders added paint and varnish finished." One British magistrate joked that these enclosed models were "a machine not much unlike a coffin" but they allowed the British to travel reclined in a more modestly concealed way.

PLANTER'S CHAIR

By the time Hobson-Jobson was published in 1886 the use of palanquins was already vanishing, but another Indian product had started promoting reclining. This was the planter's chair which didn't just allow reclining, thanks to its set-back design with sloping back, but encouraged it even further with its extra-long arms, which often folded out.

When fully extended users could put up their legs in the rather abandoned fashion which led to bald names for the chair, like the Bombay Fornicator. Chairs like this were common in warmer climates, whether based on the Indian model or developed locally. They were known as Campeche chairs in South America, and campeachy chairs in the American South.

But in parallel to these chairs, which had an X-shaped structure, another design developed in Europe was

closer to the sofas of today. Known as the chaise-longue, or long chair, it was particularly associated with invalids. At a time when debilitating diseases like tuberculosis or polio were common, the chaise-longue allowed those afflicted to combine the rest they needed with maintaining more public interactions than would have been possible if they were confined to their beds.

Medical usage determined the development of reclining chairs in other ways. Some models were meant to be used by women while giving birth, with stirrups in which to place their legs. Another model that is still with us was used by dentists, which may be why some people still feel a sense of unease when they ease themselves back in a recliner. And the couch that psychoanalysts like Sigmund Freud started using was another example of reclining being given a quasi-medical connotation.

LA-Z BOY AND BARCLOUNGER

All these practical uses though were soon overtaken by the leisure use, particularly in the USA. Edward Tenner, who writes on how humans adapt technology, writes that "Americans did not invent the first reclining furniture, but no nation has taken it further, probably because 19th century Americans were famous or notorious for refusing to follow European ideas of dignified upright posture." It was American inventors who developed the adjusting chairs like the La-Z-Boy and Barclounger, combining reclining capacity with upholstered ease.

What chairs like this did was finally remove the effeminate connotations of reclining by making it a part of happily indulgent bro culture, perhaps best demonstrated by the TV serial Friends where Joey and Chandler are deeply devoted to their reclining chairs (but Chandler significantly leaves his behind when he transfers to the greater responsibility of married life).

The design of these seats also influences the one place where reclining retains potent power, and even economic value. Airline seats were made reclining to ease the pressure of being necessarily seated for long periods, but this has bought them sharply in conflict with the economics of flying. The more space allowed for chairs to shift back into reclining position, the less space there is for chairs all around. Airlines must balance passenger comfort with the need to cram in as many people as possible in their planes.

The result is familiar to all frequent fliers, and has possibly increased the ambiguous appeal of reclining. Economy class passengers are faced constant battles for space as they handle the etiquette of reclining which has to intrude on the space of those behind. Meanwhile business and first class is sold largely on the basis of being able to recline without restrictions. It isn't hard to see how Rees-Mogg, a wealthy man who has probably never flown economy in his life, ended up channelling such passions as he stayed semi-prone in Parliament.

BASE CORPORATE TAX RATE REDUCED TO 22%

Realtors Likely to Offer Incentives to Spur Demand

Move expected to bolster growth of key segments such as offices, warehousing & industrial realty, apart from residential property

Kailash.Babar@timesgroup.com

Mumbai: The government's decision to reduce corporate tax base rate to 22% is expected to provide real estate developers a buffer to offer further incentives and cut prices of residential, particularly luxury, property projects to spur demand. The move is also expected to bolster growth of other key segments, including offices, warehousing and industrial real estate, said experts.

"The cut in corporate tax, as announced by the government, possibly gives developers an opportunity to marginally reduce prices of properties as and where they can, which will eventually boost sales for them during the upcoming festive season," said Anuj Puri, chairman, ANAROCK Property Consultants.

The residential real estate sector has been grappling with sluggish demand that has resulted in inventory pile-up and developers have already been offering incentives and various schemes to attract buyers. Puri said that by sweetening the deal for prospective homebuyers, developers will be able to liquidate their unsold stock and thus reduce inventory.

In a bid to accelerate economic growth, the government has announced a series of measures over the past few weeks. In a key measure, it announced a ₹20,000-crore fund to provide last-mile financing for stalled housing projects. The corporate tax rationalisation is expected to boost both investment and consumption.

"The reduction in corporate tax will incentivise corporates to

EXPERT SPEAK

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CHAIRMAN, ANAROCK PROPERTY CONSULTANTS

The reduction in corporate tax will incentivise corporates to pump up investments

NIRANJAN HIRANANDANI,

PRESIDENT, NREDC

TAX

While affordable and mid-income housing are unlikely to see any reduction, luxury segment can see some reduction to attract homebuyers

JAXAY SHAH,

NATIONAL

CHAIRMAN,

CREDAI

pump up investments. This will provide more surpluses to corporates including real estate developers to use the same for prompting customers to act and generate more demand," said Niranjana Hiranandani, president, National Real Estate Development Council.

However, further incentives or price rationalisation is unlikely to materialise across markets and segments since the locations and projects that are already performing relatively better would not move in that direction.

"While affordable and mid-income housing are unlikely to see any reduction, luxury segment can see some reduction to attract homebuyers," said Jaxay Shah, national chairman of the Confederation of Real Estate Developers Association of India (CREDAI). "However, this can be a micro-market specific

decision that developers will have to take based on their inventory, need for liquidity, project phase and response to the project so far."

Meanwhile, representatives of CREDAI, in meetings held late Thursday with senior officials of the ministries of finance, and housing and urban affairs, sought further intervention of the government to resolve the ongoing liquidity and other issues affecting the sector.

The government's decision to reduce minimum alternate tax (MAT) to 15% from 18.5% is expected to help special economic zone developers by pushing demand in key sectors, including commercial and logistics, and warehousing. Experts said the move is expected to push the manufacturing ecosystem to generate jobs and create wealth. This, in turn, is likely to propel office space and warehousing demand, they said.

Govt-Sponsored Incubators Eligible for CSR Funds

Our Bureau

New Delhi: Government-sponsored incubators have been made eligible for India Inc's corporate social responsibility spending, in a major boost to startups.

Finance and corporate affairs minister Nirmala Sitharaman said on Friday that research funding in science, technology, engineering and medicine will be counted as part of mandatory CSR expenditure.

The research funding by companies can go towards efforts by publicly funded universities, Indian Institutes of Technology and national laboratories towards achievement of United Nations sustainable development goals.

Every year, companies with a minimum net worth of ₹500 crore, turnover of ₹1,000 crore, or net profit of ₹5 crore are required to spend at least 2% of their average profit for the previous three years on CSR activities.

In a previous set of announcements, the finance minister had announced that the government would not operationalise an amendment to the Companies Act that had made violations of CSR provisions punishable by up to three years in prison.

A high-level government committee under corporate affairs secretary Injeti Srinivas has also recommended that CSR expenditure be made tax deductible.

Beside the additions announced by the finance minister, efforts to reduce poverty, hunger and childhood mortality, promote education and gender equality, ensure environmental sustainability and contributions to government-designated relief funds are also counted as CSR spending.

The government's latest move will help provide much-needed funding for incubators and scientific research, experts said.

Kaustabh Basu, executive director - social sector, PWC India said companies had faced issues in channeling CSR funds to technology incubators in institutions not approved by the central government. "Today's move to extend permissibility of the same to state government supported incubators or even those supported by public sector undertakings (PSUs), autonomous bodies, and to science, technology, engineering and medicine branches would motivate corporates to invest in this hitherto untapped area," Basu said.

"Coverage of spending on incubators or research grants to institutes engaged in promoting scientific research... is also a strategic move to provide much needed financial aid in this area," said Hitesh D Gajaria, partner and co-head of tax at KPMG India.

Hospitality Industry Lauds Cut in GST Rates to 18%

Earlier, GST Council had taxed hotels with tariffs of ₹7,500 and above at 28%

Anumecha.Chaturvedi

@timesgroup.com

New Delhi: The hospitality industry welcomed the GST Council's decision to slash tax rates for hotels, saying it will lead to an increase in demand in the sector.

The reduction in goods and services tax to 18% from 28% was particularly lauded. Earlier, the council had taxed hotels with tariffs of ₹7,500 and above at 28%. Industry experts had said the 28% tax slab made Indian hotels among the most taxed in the world.

"The GST rate rationalisation for hotels is an extremely positive development which augurs very well for the Indian tourism industry," said Dipak Haksar, chairman of CII National Committee on Tourism & Hospitality.

"We are grateful to the finance minister for having considered this demand of the industry, which is bound to create a good sentiment across travel, trade and hotels," said Haksar, who is also the chief executive of ITC Hotels and WelcomHotels.

Hotels with tariffs between ₹1,001 and ₹7,500 will attract GST of 12%, while hotels with tariffs of less than ₹1,000 do not attract a tax as per an earlier decision.

Abhishek Jain, tax partner at EY said

that the rationalisation should bolster demand in the hotel industry. "With the upcoming vacation and festive season this was a much sought for relief by the industry, especially for the premium segment hotels," he said.

Sanjay Sethi, managing director of Chalet Hotels, said the tax cut will give a major fillip to the hospitality and tourism industry and make India's hotels more competitive globally.

"For companies like Chalet, reduced taxation helps us focus our efforts on key aspects like fresh investments in portfolio expansion, job creation and creating sustainable green hotels," he said.

Gurbaxish Singh Kohli, vice president of apex industry association FHRAI, said the industry had been lobbying for the tax reduction for luxury hotels for a while.

Nakul Anand, chairman of industry association FAITH, said the news on GST rationalisation came as a big shot in the arm for the tourism industry. "All 10 member bodies of FAITH have worked tirelessly towards this endeavour and we would like to thank the government for making this happen. This adds great spurt and momentum to the hospitality industry and creates a positive sentiment that ensures more vigour and strength for destination India," he said.

IT Stocks Buck the Greatest Bull Run

Ayan Pramanik & Jochelle Mendonca

Bengaluru: Infosys, Tata Consultancy Services (TCS) and HCL Technologies were among the rare set of stocks on the benchmark Nifty that lost on a day Indian equities logged their biggest gains, with investors buying into home-focused companies instead of exports-driven technology bellwethers after government announced cuts in corporate levies.

Benefits of the tax cuts, stretching to 10 percentage points, would be greater for companies that largely generate their revenue at home and don't enjoy many operational exemptions. By contrast, many exports-driven companies have lower tax incidence due to exemptions, and stand to benefit less from the tax incentives announced.

TCS, Infosys and Tech Mahindra declined on Friday, with investors trading three times more shares than they do on an average on anticipation the sector might not see an immediate impact of the corporate tax cuts. Wipro, which would benefit from the government's move to not impose a buy-back tax for transactions before July 5, was an exception. It climbed ₹4.25, or 1.76%, on a day the Sensex soared a record 192.15 points to close at 38,014.62.

"Near term, there are no benefits for these companies. At least for the very near term, the tax rates will remain broadly unchanged at TCS and Infosys (and others)," said Kuldeep Koul, lead analyst, ICICI Securities. "It will be after 18 to 24 months that they would consider tax rates without SEZ exemptions and migrate to the current structure."

'FM Surpasses Many Expectations'



VIKRAM DOSHI
Partner-Tax & Regulatory,
PwC India

Amidst the backdrop of slowing economy and reducing competitiveness, the need of the day was a set of solid tax and economic reforms. While some form of stimulus was expected, what was delivered by the finance minister surpassed many expectations and pleasantly surprised everyone.

For sometime now, the industry wanted the government to reduce corporate tax rates to 25% as per its earlier promised road map. The finance minister surpassed this expectation and introduced an across-the-board rate of 22% for all domestic corporate taxpayers subject to the corporates not claiming any exemptions or incentives. While withdrawal of exemptions and incentives was expected in due time, the government has provided enough motivation to corporates to choose the path of paying taxes at a reduced rate and give up incentives and exemptions.

The key takeaways from the finance minister's announcements and the ordinance that followed are as under:

— An option to pay corporate tax at a reduced rate of 22% is provided to every domestic company, irrespective of the turnover, subject to the condition that no incentives or exemptions are availed. The effective tax rate works out to 25.17% after applying the revised reduced surcharge.

— A domestic company which does not opt for the concessional tax regime due to existing exemptions or incentives will pay tax at the rate of 34.94% or 29.12%. A good thing is that such companies can opt for the concessional tax regime after the expiry of their incentives.

— With a view to boost manufacturing and to provide thrust to the 'Make-in-India' initiative of the government, an option to pay corporate tax at the rate of 15% is now provided to any new domestic company established post October 1, 2019, and making fresh investment in manufacturing. The condition of not availing any exemption or incentive remains with an additional requirement of commencing production on or before March 31, 2023. The effective tax rate for such companies will be 17.16%.

— Companies that opt for the

reduced rate of 22%/15% would not be required to pay Minimum Alternate Tax ('MAT'). The MAT rate itself has been reduced from the existing 18.5% to 15%.

— Losses of earlier years attributable to the exemptions and incentives will not be available and will lapse once the reduced rates are opted.

— The enhanced surcharge announced earlier has been rolled back for FPIs and domestic investors alike in respect of capital gains, thereby providing impetus to the capital markets.

— Listed companies which have made buyback announcements before July 5, 2019, would not be subject to buyback tax introduced earlier this year.

There are some questions nonetheless like the fate of existing MAT credits. What will

definitely follow is some degree of number crunching as corporate India decides on what regime of taxation it chooses. Nonetheless, what is certain is that India today has one of the lowest corporate tax regime in the region, thereby setting the stage for impetus to the economy, ability to attract foreign direct investment and provide a viable alternative for manufacturing in the backdrop of global trade tensions.

Hopefully, this will kickstart the growth engine leading to higher consumption, increase in tax compliance and collections and generation of much desired employment.

With inputs from Rony Antony, Partner, PwC India

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Sd/-
General Manager

SOUTH DELHI MUNICIPAL CORPORATION
VIGILANCE DEPARTMENT
26th Floor, Civic Centre J.L.N. Marg, Minto Road, New Delhi-110002

NOTICE

Seven employees of South Delhi Municipal Corporation (SDMC) have been running unauthorisedly absent from their duties since very long time. The details of the employees are as under:-

S.No.	NAME	FATHER/HUSBAND	DESIGNATION	DEPTT.
1	Anshu Verma	Varun Sharma	Teacher	Education
2	Balinder Lakra	Mangna Lakra	Teacher	Education
3	Baleshiwar Prasad Yadav	Jatan Lal Yadav	Teacher	Education
4	Prem Prakash	Gutari Lal	RSK	DEMS
5	Chhotte Lal	Shri Ram	RSK	DEMS
6	Om Prakash	Ram Swaroop	Peon	Health
7	Reena Gupta	Ravinder Singh	Teacher	Education

By virtue of this notice, you, all are directed to report to Vigilance Deptt, SDMC, 26th floor, SP Mukherjee, Civic Centre, J.L.N. Marg, New Delhi-110002 within 15 days from the date of this publication. In case you do not report to Vigilance Department within stipulated period then it will be presumed that you do not want to continue your services in SDMC and an action as deemed fit shall be taken under the provisions of Regulation 9(ii) of DMC Services (Control & Appeal) Regulations 1959 by the Competent Authority.

R.O. No. 66/DP/3/2019-20 DIRECTOR OF VIGILANCE

TENUGHAT VIDYUT NIGAM LIMITED
(A GOVT. OF JHARKHAND UNDERTAKING)
HINOO, DORANDA, RANCHI-834002, JHARKHAND
CIN U40101JH1987SGC013153

Letter No 988/19-20 TENDER NOTICE Date 20.09.2019

Online tender in two parts (Part-I Technical & Commercial BID and Part-II Price Bid) to be submitted in TVNL website only) are invited on behalf of TENUGHAT VIDYUT NIGAM LIMITED, Ranchi from reputed, experienced and financially sound bidders for under mention work at TTPS, Lalpasia :-

Sl no	NIT No	SRM RFX No	Description	Last date of Bid Submission	Due Date & time of opening of Part-A
1	44 /C&I- I/W/TVNL/ RAN/19-20	1000003972	Round the clock annual Operation & Maintenance work of all Field instruments and secondary instruments of C&I Circle of 2x210 MW Units at Tenughat TPS, Lalpasia.	11.10.2019, up to 14:00 Hrs.	11.10.2019, at 16:00 Hrs

Bid document are to be submitted online through SAP-SRM, TVNL website webdispatcher.tvnl.in/srmpd up to last date and time of bid submission. The tender document can be downloaded from our website www.tvnl.in.

बुख - बुख नहीं बढ़ते तो बुख को तटोने Sd/-
P.R.217573 Tenughat Vidyut Nigam Ltd.(19-20)-D (S.K. Choudhary) ESE/C&M-II

Office of the Principal Moti Lal Nehru Medical College & Associated Hospitals Prayagraj

Tender Notice no-E-Tender/Housekeeping/14676 dated-20.09.2019
Phone no.-0532-2256507
Website-www.mlnmc.org

E-Tender Notice

The online E-Tender is invited from reputed agencies for selection of service provider agency to provide house keeping and sanitation service on outsource basis at **Moti Lal Nehru Medical College & Associated Hospitals Prayagraj**. The tender can be downloaded from the UP Govt. E-Procurement portal <http://e-tender.up.nic.in> between the date 24.09.2019 to 15.10.2019 and technical bid will be opened at the office of DGME&T, UP, Lko on 16.10.2019 at 3.30 pm. The Tender fee can be submitted in shape of bank draft (1000+18% GST extra=1180/-) in favour of Principal **Moti Lal Nehru Medical College & Associated Hospitals Prayagraj**.

All the condition, terms and requirement is mentioned in the tender document, will be considered the integral part of the notice. The Principal as aforesaid has sole discretion of accepting/rejecting any tender and reserves his right to cancel party or wholly. In case of legal dispute the legal jurisdiction shall be court of law at Prayagraj.

UPID-144049/20.09.2019 www.upgov.nic.in (Principal)

LALA LAJPAT RAI MEMORIAL MEDICAL COLLEGE
(MEDICAL COLLEGE UNDER DIRECTORATE OF MEDICAL EDUCATION AND TRAINING, UTTAR PRADESH)
JAWAHAR BHAWAN, LUCKNOW-226001 WEBSITE: www.lirmmedicalcollege.nic.in
No. PC/2019/7454 Dated: 20.09.19

TENDER FOR SELECTION OF HOUSEKEEPING & SANITATION-SERVICE PROVIDER (HSEK-SP) IN LALA LAJPAT RAI MEMORIAL MEDICAL COLLEGE (LIRMMC) ATTACHED HOSPITAL IN UTTAR PRADESH

i) Sealed tenders are invited from the eligible bidders to provide housekeeping & sanitation services for 3 years.

Name of Work	Estimated Money	Last Date of Receiving Sealed Tender Bids	Date of Tender Opening
Providing housekeeping & sanitation services in Lala Lajpat Rai Memorial Medical College attached Hospital	Rs. 1,50,00,00	October 15 th , 2019	at the office of DGME, 6th Floor, Jawahar Bhawan, Hazratganj, UP, Lko.

ii) A set of Tender documents can be downloaded from the <http://e-tender.up.nic.in> and a Tender document fee of Rs. 1180/- (Rs. One thousand one hundred eighty rupees only) payable via NEFT to "e-tender account", which is non-refundable and upload the receipt in technical bid, failing which the tender will be rejected.

iii) A Pre-Bid meeting shall be held in the Office of the Principal, LIRM Medical College, Meerut-250004 to clarify any queries of the bidder on 26.09.2019. Details of the Tender document can be seen at e-tender.up.nic.in

iv) LIRMMC reserves the right to withdraw/reject any of the terms and conditions mentioned here under and in such a situation the bidder shall be given sufficient time to take the changes into account. However, no relaxation will be given as far as statutory requirements are concerned.

Principal
Lala Lajpat Rai Memorial Medical College
Meerut

UPID 144046 at 20.09.2019 www.upgov.nic.in

Office of Superintending Engineer VII Circle Irrigation Works, Irrigation & Water Resources Department, Sarojini Naidu Marg, Lucknow.

e-tender Notice No. 03/SE-VII/2019-20

On behalf of Governor of Uttar Pradesh, Bids are invited online on website <http://e-tender.up.nic.in> for the following work upto 09.10.2019 at 12.00 noon, whose Technical Bids shall be opened online on 09.10.2019 at 04.00 PM in the office of the Superintending Engineer, VII Circle Irrigation Works, Lucknow, in the presence of authorised representative/bidders, who wish to present. Bid Document can be downloaded/uploaded from 26.09.2019 at 02.00 PM. In case of Government holiday on 09.10.2019, the bid shall be opened on next working day. The details of Tender Notice/Bid Document will be available on <http://e-tender.up.nic.in> and <http://idup.gov.in>.

Sl.No.	Name of Work
1	Restoration of internal section of Ramganj Dy. from Km. 0.000 to Km. 18.145

Superintending Engineer, VII Circle Irrigation Works, Lucknow

UPID-144030/20.09.2019 www.upgov.nic.in

GOVERNMENT OF MAHARASHTRA PUBLIC WORKS DEPARTMENT INVITATION FOR TENDER

Notice No. 84 Year 2019-20

Sl. no.	Name of wok	Estimated Cost
1.	Strengthening and black Topping To Thane Bhiwandi Vadapa Road SH-0/000 To 8/090 In Thane and Bhiwandi Taluka, Dist Thane.	1,57,41,250/-

Open Date 16/10/2019 Time 12.30 PM

1. Tender form Condition of Contract Specification and Contract drawing can be downloaded from e-tendering portal of Public Works Department of Maharashtra i.e. <https://mahatenders.gov.in>

2. Tender Notice can be seen also on website <https://mahatenders.gov.in> & www.mahapwd.com

No./TD/Tender/
Office of the Executive Engineer
P.W. Division No. 1 Thane
Station Road
Date- / /

Sd/-
Executive Engineer
P.W. Division No.1 Thane

D.G.I.P.R. 2019/2020/3241

No. 1/20/2018/NPST Date: 20 September 2019

NATIONAL PENSION SYSTEM TRUST (NPST)

Automating monitoring and evaluation at National Pension System Trust (NPST)

The National Pension System Trust (NPST) is interested in procuring a compliance / reporting / business intelligence / audit management / analytics / visualization solution to automate its critical role of monitoring and evaluating fellow intermediaries in the National Pension System (NPS). NPST is looking for a reputed branded solution with impressive track record of deployment among users in the financial sector.

Towards the above objective, NPST invites suitable firms, capable of deploying the desired solution, to attend a presentation by its department heads, as per the following programme:

Day and Date : Friday, 4 October 2019
Time : 11:45 am onwards

NPST will float a limited tender only among the firms attending the above presentation.

Interested firms may register their interest in attending the presentation scheduled for 4 October 2019 by immediately sending an email to: dam1@npstrust.org.in cc: ceo@npstrust.org.in and ceosect@npstrust.org.in, stating 'Automation Presentation' in the subject line. NPST has prepared and uploaded a brief document at npstrust.org.in/tenders-and-rfp and <https://eprocure.gov.in/epublish/app>. Interested firms are strongly advised to go through the same.

davp 15112/11/0010/1920



Quit Before You are Pushed Out: Gavaskar to Dhoni

The time has come for India's long-serving wicketkeeper-batsman MS Dhoni to bow out of international cricket — and he should go before he's pushed, batting great Sunil Gavaskar said. "Nobody knows what's in MSD's mind. Only he can clarify what he thinks his future with Indian cricket is," former India captain and opening batsman Gavaskar told a news channel. "But he's now 38, by the time the next T20 World Cup comes he will be over 39 years old. I think India should be looking ahead. His value to the side is always going to be fantastic. It's not just the runs he will score or the catches and the stumpings he will effect," said Gavaskar. "His overall presence is so calming on the field, it's fantastic for the captain because the captain gets the benefit of his views. So that's a huge plus. But I think the time has come. Everybody has a shelf life," he added. "He should be going without being pushed out. He should be going on his own terms."

So far, I have done a good job in limited-overs format. I feel very comfortable with the white ball. I am not worried about not being picked for the last two T20I series. Maybe the selectors felt I needed a break. Maybe the team thinks some changes are required. I respect that, and I have no complaints. I see this as an opportunity to do well in Tests

KULDEEP YADAV, on not getting picked in India's T20 squad

Solskjaer Relaxed Over Rashford's Lack of Goals

Ole Gunnar Solskjaer is not concerned by Marcus Rashford's recent lack of goals, pointing to the Manchester United forward's hunger and determination to improve. Teenager Mason Greenwood saved his teammates' blushes on Thursday, scoring in United's unconvincing 1-0 win against Astana in their Europa League opener at home. United started brightly but Rashford missed a number of opportunities against the champions of Kazakhstan. Solskjaer has spoken of his desire for the 21-year-old to score more goals but is not worried that the academy graduate has netted just once from open play in eight appearances for club and country this season. "I don't worry about that, no. We're working every single day in training with Marcus. He wants to improve, wants to be better," the United boss said of Rashford.

Praneeth Loses in QF of China Open

B Sai Praneeth suffered a three-game loss to world no.9 Anthony Sinisuka Ginting in the quarterfinals to draw curtains on India's campaign at the China Open World Tour Super 1000 badminton tournament on Friday. Almost a month after dispatching the Indonesian en route his historic world championships bronze at Basel, world no.15 Praneeth went down to the same opponent 21-16, 6-21, 16-21 in 55 minutes to end his campaign.

PUBLISHED FOR THE PROPRIETORS, Bennett, Coleman & Co. Ltd. by Rajeev 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 IV, Industrial Area, Sahibabad (UP). **REGD. OFFICE:** Dr. Dattatraya Neeraj Road, Mumbai-400 001. **EDITOR (DELHI MARKET):** Vinay Pandey (responsible for selection of news under PRAECI). © Reproduction in whole or in part without written permission of the publisher is prohibited. All rights reserved. **RNI NO. DEL/ENG/2006/16423 | MADE IN New Delhi | VOLUME 14NO. 38** **AIR CHARGE:** Rajpur, Ahmedabad, Srinagar, Leh & via ₹2.00 | **PRICE IN NEPAL:** NEP ₹15.00 (except Saturday & Sunday - NEP ₹25.00)

Sushil's first-round loss at the World Championships raises a pertinent question: Can individual goals be held in higher esteem than the country's?

The Burden of Legacy

Garima Verma

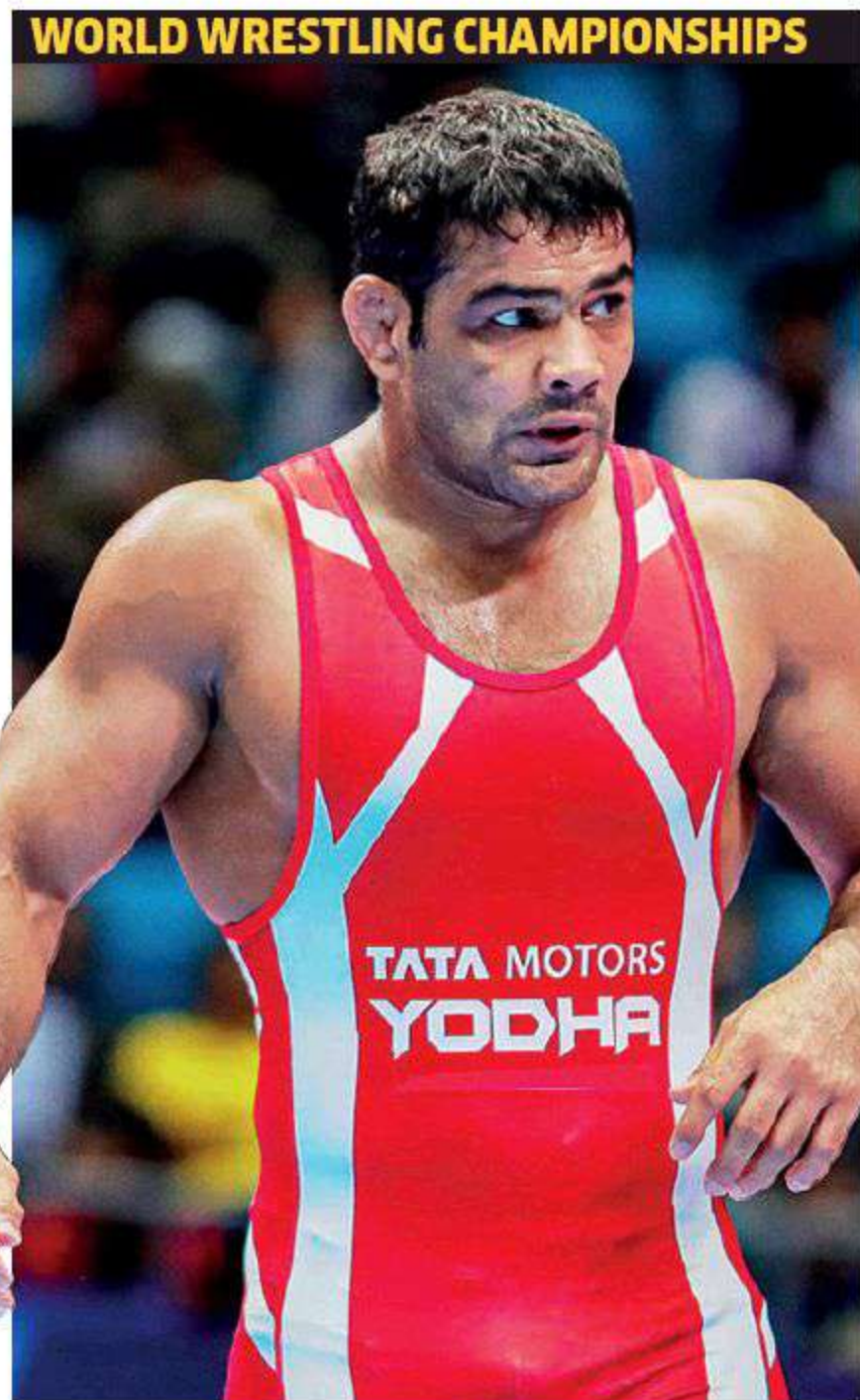
Call it our tendency to hold on to the past but it does seem odd when a person becomes bigger than the sport. They might have been the ones to define the trade at a certain point in time, but does that make their genius immortal? Especially when it has clearly struck a downward slope.

Sushil Kumar is beyond doubt the most celebrated name in the history of the Indian wrestling. The man has to his credit two Olympic medals, world champion title and several other medals. On Friday, when he started his bid to reserve a berth for the next year's Olympic Games, in the ongoing wrestling World Championships in Kazakhstan, he lost in the first round. Had a Sushil of yore ever squandered an 8-2 lead to end up losing 9-11? One wonders.

The lure of getting a shot at the ultimate glory — an Olympic medal or another, is understandable. What sparks deliberation is whether individual goals could be held in higher esteem than the country's? Sushil's result does little in such a situation than take us back to the World Championships selection trials held in the Capital in August. The 36-year-old was up against national champion Jitender in the 74kg final bout. An accidental eye poke and a twisted arm later, Sushil had secured his comeback to the world event after a gap of eight years. Jitender's coach could not do more than fume at the "rough tactics". The Wrestling Federation of India decided to give Jitender another chance, albeit by allowing him to take on the winner of the 79kg category, Virdev Gulla, whom he beat.

"Whenever I am fit, I try to fight. I love wrestling a lot. And like every player, even I also always wish to prepare and do well in big events," Sushil had said of his long breaks and not being a regular at the tournaments a few days back. "How and where the controversies start from even I do not understand. But I do not pay any heed to what people say. A player has a very short life span and he can do well only when he does not pay any attention to such things."

Earlier in August, a 23-year-old Nikhat



Sushil Kumar lost to Khadzhimurad Gadzhiliev of Azerbaijan

Zareen was feeling robbed of her chance to even stake claim for a women's World Boxing Championships berth. She was looking forward to challenge six-time world champion and the 2012 Olympic bronze medalist, MC Mary Kom, in the 51kg category trials. There was to be none. For, the Boxing Federation of India had already decided that the 36-year-old senior had already done enough to reserve a spot for the championships, scheduled to be held in Russia from October 3. Zareen

was reportedly told that it was to protect her at such a young age and that she would have her chances in the future! "Have Saina Nehwal and PV Sindhu ever given trials? They did not hold any for the World Championships. Why in our case there are always trials?" Mary Kom had tried to put it in perspective a couple of weeks later. It must be a relief to many in badminton then that the world rankings determine the qualification for the big events. These are but just the most recent ex-

amples of system finding itself in debt of the big achievers. Let's not even delve into the cricket world, largely India's, where letting a youngster replace a veteran is no lesser a task than belling the cat. The Gods and the champions are not to be troubled it seems. Here, only they get to decide when to vacate the spot. A certain Michael Phelps might be a startled self for having gone through the rigorous process of proving himself over and over again.

Though there is no doubt that sometimes the likes of Mary Kom and Sushil Kumar are the country's best bet, when not many have shown potential similar to theirs and results, but who should answer the big 'what if' question when they falter. An example would be: Sushil could try again to secure the Tokyo berth through the continental and ranking qualifications next year. What if what follows thereafter in Tokyo doesn't go beyond a guest appearance? What if Mary Kom fails to qualify like she could not for the 2016 edition?

Well, keeping your relevance alive in the sphere of life is a tough task and striving for it by any means an obvious human nature. The dilemma that many of our federations and the system overall perhaps need to address, however, is that to what extent they can let the legacy take precedence over future.

Bajrang, Ravi Win Bronze

Shrugging off his controversial semifinal defeat, Bajrang Punia bagged his third World Championship medal while Ravi Dahiya made his debut memorable by grabbing a bronze on Friday. Bajrang was already India's only multiple-medallist at the Worlds and he consolidated his record with his narrow 8-7 win over Mongolia's Tulga Tumur Ochir, the under-23 Asian champion. Bajrang held off a spirited challenge from Ochir who had raced to a 6-0 lead but true to his style, the Indian ruled the second period with a flurry of moves. He had won a silver medal last year and a bronze in the 2013 edition in Budapest. It was Bajrang's first tournament of the season where he did not make the final though he qualified for the Tokyo Olympics in this championships. Ravi was up against Reza Ahmadali Atrinagharchi, the reigning Asian champion from Iran, and capped his stunning debut with a 6-3 win in the bronze medal bout. This was India's third medal of the championships — all bronze. Vinesh Phogat had also won a bronze in women's 53 kg event. The last time India won three medals at the Worlds was in 2013 when Amit Dahiya, Bajrang and Sandeep Tuli Yadav stood on the podium.

-PTI



Liverpool's Mohamed Salah (R) and Chelsea's Christian Pulisic during the Super Cup match in August

A Rivalry Loses its Spark

The disappointing thing for Chelsea is that, for Liverpool, their meeting is not the biggest of games

Tony Evans

A former Chelsea executive tells a story about the Champions League semifinal second leg against Liverpool at Anfield in 2005. It was the infamous 'ghost goal' game, where Luis Garcia's disputed fourth-minute strike sent the home team to Istanbul.

At half-time the Chelsea contingent were furious about the referee allowing the goal. Roman Abramovich, the owner, seemed distracted. "We need a song," the Russian said. The company was confused. "Like the song they have."

The executive explained that You'll Never Walk Alone had grown out of an organic supporter culture and that fans at Stamford Bridge had their own separate, distinct way of doing things. "Find a songwriter," Abramovich said. "Pay him to write us a song."

A bitter rivalry was growing between the clubs and the story could be an allegory for it. Both sides wanted what the other had got. Chelsea had the cash and the titles, Liverpool had the Champions League trophy and Steven Gerrard.

The Kop revelled in singing, "You've got no history," to their west London counterparts but that was silly. Chelsea's history — even before the slew of trophies delivered by Abramovich's money — is rich and fascinating. It features Fatty Foulke, the 20-stone goalkeeper, the highest league attendance at a permanent home stadium when nearly 83,000 crammed into the Bridge against Arsenal in 1935 and Ken Bates and his electric fences.

For a while it was the most fractious duel in English football when Jose Mourinho and Rafa Benitez were going head to head. The heat has gone out of the contest now. Frank Lampard might retain some residual dislike for the league leaders but it would be hard to find anyone around Anfield who harbours real contempt for Chelsea. That is so last decade.

The hostility was always rather one-sided. The fury was stronger at the Bridge. Even that seems to have softened a little. The disappointing thing for Chelsea is that, for Jurgen Klopp and his team, this is not the biggest of games. It is hardly inconsequential — any 'Big Six' clash is important — but this fixture does not have the frisson of a showdown with Manchester City.

Pep Guardiola's side are the focus of antagonism on Merseyside. The pattern has repeated itself, too. City have the titles and the money, Liverpool the Champions League trophy...

Chelsea and Liverpool had setbacks in Europe this week but Klopp's side appear best equipped to rebound on Sunday. Lampard is experiencing a similar situation to when the German arrived at Anfield four years ago. He is having to cope with an unbalanced squad that is not of his own making. Like Klopp, the 41-year-old is optimistic about the outlook for the team but it is a very difficult job for a man so early in his career. He needs time and investment if he is to succeed. Klopp got both from Fenway Sports Group (FSG), the owners, but the 52-year-old had a long record of success behind him and was a

WATCH OUT! TONIGHT

PREMIER LEAGUE (Star Sports) Leicester v Tottenham 5pm
Man City v Watford 7:30pm
LA LIGA (Facebook) Atletico Madrid v Celta Vigo 10pm
Granada v Barcelona 12:30am
SERIE A Juventus v Hellas Verona 9:30pm

WATCH OUT! TOMORROW

PREMIER LEAGUE (Star Sports) West Ham v Man United 6:30pm
Arsenal v Aston Villa 9:00pm
Chelsea v Liverpool 9:00pm
LA LIGA (Facebook) Sevilla v Real Madrid 12:30am
SERIE A (Sony Ten 2) Lecce v Napoli 6:30pm
AC Milan vs Inter Milan 12:15am
LIGUE 1 Lyon v PSG 12:30am

proven winner in the dugout. Lampard does not have the same credentials. There's that history thing again.

Chelsea's mix of talented youngsters, shop-worn veterans and injured gamechangers — well, N'Golo Kante at least — leave the club a long way behind the top two teams in the Premier League. While the feud with Liverpool went dormant, the decision-makers at Stamford Bridge fell asleep at the wheel. The title successes of Jose Mourinho's second term and Antonio Conte disguised a system that was broken. A dozing driver can only stay on track for so long. Chelsea haven't quite crashed — not in the head-on sense — but they have hit the buffers. It will take some time to turn things around, even if the transfer ban is reduced by the January window. Abramovich is no longer eager to spend money like he once did.

For Liverpool there is the sense of satisfaction from a plan coming together. FSG like to think that they did things their own way, even if the truth is what really made the difference for Klopp was the same thing that the owners would sneer at from other clubs. Like Chelsea in the 2000s and City now, FSG spent big money on proven talent. That, however anyone tries to spin it, is the shortcut to success. Virgil van Dijk and Alisson Becker elevated Liverpool to trophy winners.

The Bridge will work itself into a frenzy on Sunday and, if you close your eyes, it will be possible to imagine life as it was a decade ago, with Lampard in his pomp terrorising the Liverpool defence. The reality is that the clubs have different expectations and prospects at the moment. Fifteen years on, Liverpool are still dancing to a different tune. Abramovich may no longer be willing to splash the cash to compete.

The Independent

Where No Indian Reached

Amit Panghal becomes first Indian to enter World Boxing Championships final

Asian champion Amit Panghal (52kg) on Friday became the first Indian to enter the finals of the World Men's Boxing Championship while Manish Kaushik (63kg) signed off with a bronze medal after going down in the semifinals in Ekaterinburg, Russia.

Second seeded Panghal prevailed 3-2 against Kazakhstan's Saken Bibossinov in the last-four stage.

But Commonwealth Games silver-winner Kaushik, competing in his debut world championship, lost 0-5 to top-seeded Cuban Andy Gomez Cruz, a gold-medallist from the previous edition besides being the reigning Pan-American Games champion.

"The bout went very well for me although I had to put in more effort than I had thought. It is a huge achievement for Indian boxing and I am thankful for all the support that I have got," Panghal said after the triumph.

On Saturday, Panghal will take on Uzbekistan's Shakhobiddin Zolirov, the reigning Olympic champion. Zolirov defeated Frenchman Billal Bennama

in his semifinal showdown. Before this, India had never won more than one bronze medal in a single edition of the world championships but Panghal and Kaushik changed that by making the semifinals.

The past Indian medal-winners at the world meet are Vijender Singh (2009), Vikas Krishan (2011), Shiva Thapa (2015) and Gaurav Bidhuri (2017).

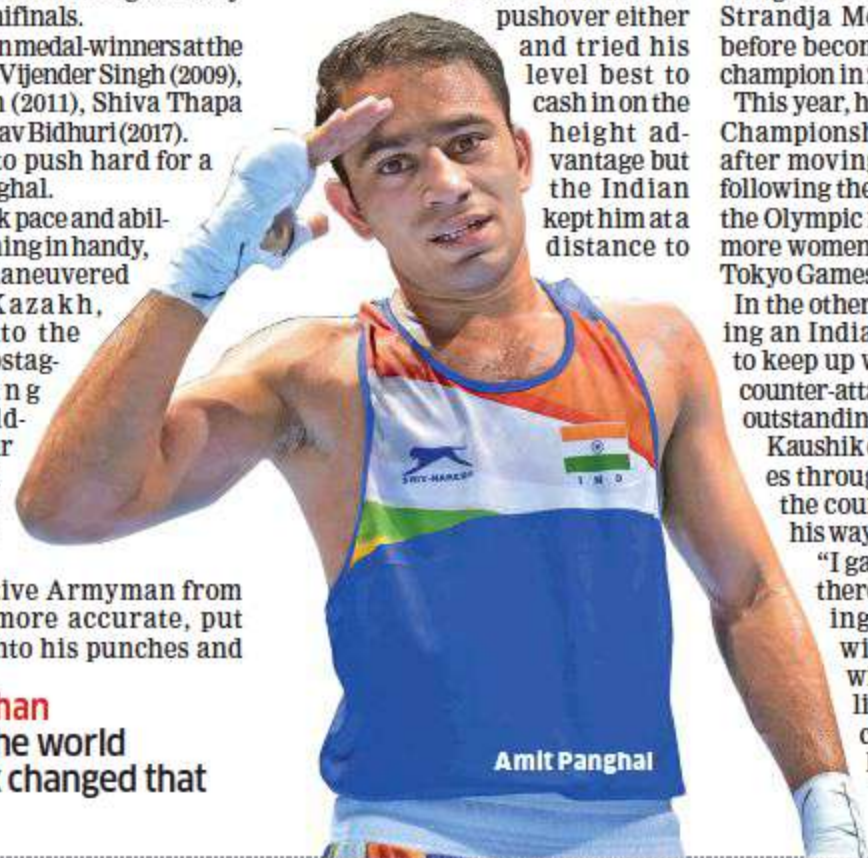
"I am going to push hard for a gold," said Panghal.

His trademark pace and ability to adapt coming in handy, Panghal outmaneuvered the taller Kazakh, who came into the semis after upstaging reigning European gold-medallist Artur Hovhannisyan of Armenia in the quarterfinals.

The diminutive Armyman from Rohtak was more accurate, put more power into his punches and

was sharp defensively against the Kazakh. This was after Panghal spent most of the first round getting a measure of his rival.

Bibossinov was no pushover either and tried his level best to cash in on the height advantage but the Indian kept him at a distance to



Amit Panghal

PTI

Before this, India had never won more than one bronze medal in a single edition of the world championships but Panghal and Kaushik changed that by making the semifinals

With its Twists and Turns, Singapore Could End Ferrari's Run

The Marina Bay track plays well to Mercedes' strengths but Red Bull could pose a threat

Abhishek Takle

Charles Leclerc revelled in the giddy highs of success after taking back to back wins for Ferrari in Belgium and Italy, but the Monegasque is braced for a return to earth in this weekend's Singapore Grand Prix.

The 21-year-old's run of double triumphs ended Ferrari's victory drought. But they came at circuits that played to their car's strengths. Spa and Monza, with their long straights and flat-out blasts handed Ferrari, whose car has proven exceptionally quick in a straight line, a rare edge.

But with their car struggling through the corners, a repeat this weekend in Singapore looks unlikely.

The Marina Bay track, which winds its way through the heart of the glittering city state, has more corners than any other venue on the calendar. The last time Ferrari raced around

a similar layout, the Hungarian in Hungary, they finished over a minute behind race winner Lewis Hamilton's Mercedes.

"It might be a bit more difficult for us this weekend," said Leclerc, whose win at the last race in Italy was Ferrari's first on home soil since 2010.

"There's quite a lot of corners, a lot less straights.

"We know we are quite strong on power-limited tracks but it is not one of them here.

"We are going to struggle a bit more but anything is possible everywhere.

"We will give everything here for the win."

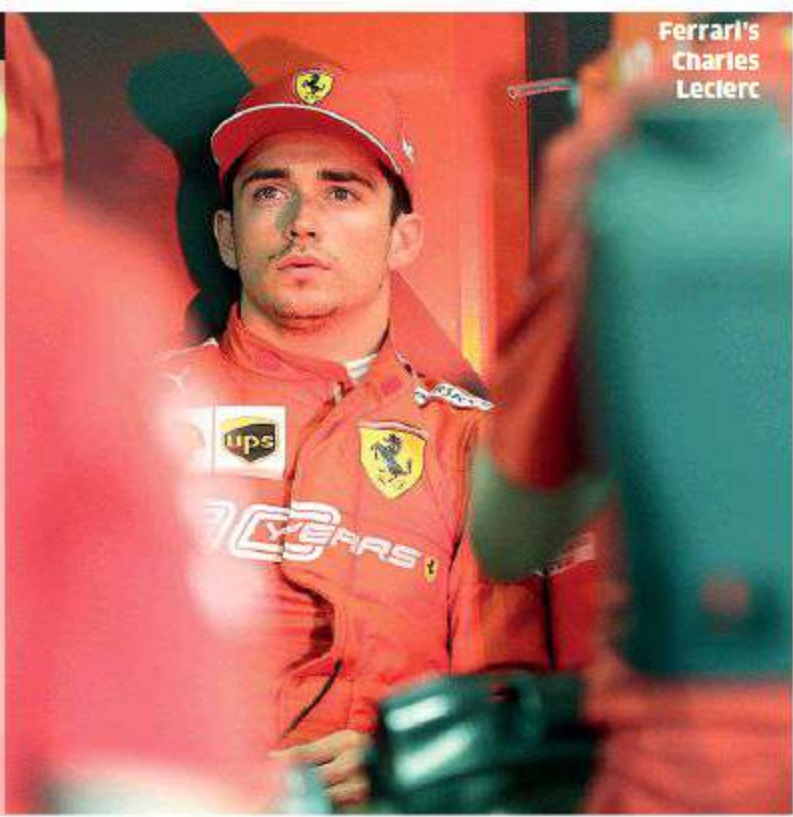
Mercedes, meanwhile, should once again be the team to beat.

The dominant champions have won 10 of this season's 14 races. Their successive defeats in Spa and Monza were the first time this year that they have been beaten in successive races.

Hamilton, who leads team mate

MARINA BAY STREET CIRCUIT

FIRST GRAND PRIX	2008
NUMBER OF LAPS	61
CIRCUIT LENGTH	5.063 km
RACE DISTANCE	308.706 km
LAP RECORD	1:41.905 Kevin Magnussen (2018)



Ferrari's Charles Leclerc

Valterri Bottas by 63 points in the overall standings with seven races left, together with Vettel is the most successful driver in Singapore with the pair each having chalked up four wins.

The Briton, winner in Singapore for the last two years, had also not been beaten in successive races until the Belgian and Italian events.

On Sunday, he will be gunning to return Mercedes to the top step of the podium with an unprecedented fifth Singapore win.

"For a long time, Singapore used to be one of our weakest tracks," said Mercedes boss Toto Wolff.

"But we've made some inroads into that and performed well last year.

"However, there are no home runs at a track like Singapore.

"We ... take absolutely nothing for granted in our approach to the weekend."

Mercedes' caution could be well founded.

The Marina Bay track has generally been one of the few tracks where their rivals have run them close.

While their car this year has had the edge through the corners rather than on the straights as used to be the case, Red Bull could pose a threat.

The former champions have traditionally tended to do well in Singapore with the track's twists suiting their nimble car.

They have finished second there for the last five years and Max Verstappen, who battled Hamilton hard for victory in

Hungary, will want to go one better on Sunday.

"It's a race where we tend to do better than say, Monza and Spa," said Verstappen, who finished runner-up to Hamilton in Singapore last year.

"Hopefully we can have another good weekend. Overtaking is very tricky, so qualifying is the key. "You have to nail it."

